95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1817

Introduced 2/23/2007, by Rep. Michael P. McAuliffe - Kevin Joyce - Angelo Saviano

SYNOPSIS AS INTRODUCED:

| 40 | ILCS | 5/6-128.4 | from | Ch. | 108 | 1/2, | par. | 6-128.4 |
|----|--------|--------------|------|-----|-----|------|------|---------|
| 40 | ILCS | 5/6-141.1 | from | Ch. | 108 | 1/2, | par. | 6-141.1 |
| 40 | ILCS | 5/6-167 | from | Ch. | 108 | 1/2, | par. | 6-167 |
| 30 | ILCS : | 805/8.31 new | | | | | | |

Amends the Chicago Firefighter Article of the Illinois Pension Code. Increases the minimum surviving spouse annuity to 100% of the retirement annuity to which the deceased firefighter was entitled at the time of death. Increases the required contribution for widow's annuity by 0.5% of salary. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

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FISCAL NOTE ACT MAY APPLY PENSION IMPACT NOTE ACT MAY APPLY STATE MANDATES ACT MAY REQUIRE REIMBURSEMENT HB1817

1

AN ACT concerning public employee benefits.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The Illinois Pension Code is amended by changing
Sections 6-128.4, 6-141.1, and 6-167 as follows:

6 (40 ILCS 5/6-128.4) (from Ch. 108 1/2, par. 6-128.4)

7 Sec. 6-128.4. Minimum widow's annuities.

8 (a) Notwithstanding any other provision of this Article, 9 beginning January 1, 1996, the minimum amount of widow's 10 annuity payable to any person who is entitled to receive a 11 widow's annuity under this Article is \$700 per month, without 12 regard to whether the deceased fireman is in service on or 13 after the effective date of this amendatory Act of 1995.

14 (b) Notwithstanding Section 6-128.3, beginning January 1, 1994, the minimum widow's annuity under this Article shall be 15 16 \$700 per month for (1) all persons receiving widow's annuities 17 on that date who are survivors of employees who retired at age 50 or over with at least 20 years of service, and (2) persons 18 who become eligible for widow's annuities and are survivors of 19 20 employees who retired at age 50 or over with at least 20 years 21 of service.

(c) Notwithstanding Section 6-128.3, beginning January 1,
1999, the minimum widow's annuity under this Article shall be

\$800 per month for (1) all persons receiving widow's annuities on that date who are survivors of employees who retired at age 50 or over with at least 20 years of service, and (2) persons who become eligible for widow's annuities and are survivors of employees who retired at age 50 or over with at least 20 years of service.

7 (d) Notwithstanding Section 6-128.3, beginning January 1, 8 2004, the minimum widow's annuity under this Article shall be 9 \$900 per month for all persons receiving widow's annuities on 10 or after that date, without regard to whether the deceased 11 fireman is in service on or after the effective date of this 12 amendatory Act of the 93rd General Assembly.

(e) Notwithstanding Section 6-128.3, beginning January 1, 2005, the minimum widow's annuity under this Article shall be \$1,000 per month for all persons receiving widow's annuities on or after that date, without regard to whether the deceased fireman is in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

19 (f) Notwithstanding any other provision of this Article, 20 beginning January 1, 2008, the minimum amount of widow's annuity payable to any person who is entitled to receive a 21 22 widow's annuity under this Article is 100% of the amount of 23 retirement annuity that the deceased fireman was receiving on the date of death (or would have been eligible to receive if he 24 25 had retired from service on the day before his death), including any increases that had accrued under Section 6-164 or 26

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1 <u>6-164.1. The changes to this Section made by this amendatory</u> 2 <u>Act of the 95th General Assembly apply without regard to</u> 3 <u>whether the deceased fireman is in service on or after the</u> 4 <u>effective date of this amendatory Act of the 95th General</u> 5 <u>Assembly.</u>

6 (Source: P.A. 93-654, eff. 1-16-04.)

7 (40 ILCS 5/6-141.1) (from Ch. 108 1/2, par. 6-141.1) 8 Sec. 6-141.1. <u>Widow's annuity; death after June 30, 1984.</u> 9 (a) Notwithstanding the other provisions of this Article, 10 the widow of a fireman who dies on or after June 30, 1984, 11 while receiving a retirement annuity or while an active fireman 12 with at least $1 \frac{1}{2}$ years of creditable service, may elect to have the amount of widow's annuity calculated in accordance 13 14 with this Section.

15 (b) If the deceased fireman was an active fireman at the 16 time of his death and had at least $1 \frac{1}{2}$ years of creditable service, the widow's annuity shall be the greater of (1) 30% of 17 the salary attached to the rank of first class firefighter in 18 the classified career service at the time of the fireman's 19 death, or (2) 100% 50% of the retirement annuity that the 20 21 deceased fireman would have been eligible to receive if he had 22 retired from service on the day before his death.

23 (c) If the deceased fireman was receiving a retirement 24 annuity at the time of his death, the widow's annuity shall be 25 equal to 100% 50% of the amount of such retirement annuity at HB1817 - 4 - LRB095 09105 AMC 29298 b

the time of the fireman's death, including any increases that had accrued under Section 6-164 or 6-164.1. The changes to this Section made by this amendatory Act of the 95th General Assembly apply without regard to whether the deceased fireman is in service on or after the effective date of this amendatory Act of the 95th General Assembly.

7 (Source: P.A. 84-11.)

8 (40 ILCS 5/6-167) (from Ch. 108 1/2, par. 6-167) Sec. 6-167. Contributions for widow's annuity. Until 9 10 January 1, 2008, 1.5% of salary and beginning January 1, 2008, 11 2.0% of salary Beginning on the effective date and prior to 12 September 1, 1957, 1% of each payment of salary of not than \$3,000 of each employee and beginning September 1, 1957, 13 14 1% of each payment of salary of not more than \$6,000 of each 15 present employee and future entrant shall be deducted and 16 contributed to the fund for widow's annuity. After September 1, 1967 and prior to January 1, 1976, 1%, and beginning January 1, 17 1976, 1 1/2% of salary without limitation shall be deducted 18 from the pay of each present employee and future entrant and 19 20 contributed to the fund for widow's annuity. The deduction 21 shall be made at the time the payments of salary are payable 22 and shall continue during the service of the employee.

23 Concurrently with each contribution, the city shall 24 contribute 2% of each payment of salary.

25 Each contribution by the employee and the city shall be

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| 1 2 3 | allocated to the accounts of and credited to the employee for widow's annuity. (Source: P.A. 79-633.) |
| 4 5 | Section 90. The State Mandates Act is amended by adding Section 8.31 as follows: |
| 6 | (30 ILCS 805/8.31 new) |
| 7 | Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8 |
| 8 | of this Act, no reimbursement by the State is required for the |
| 9 | implementation of any mandate created by this amendatory Act of |
| 10 | the 95th General Assembly. |
| 11 | Section 99. Effective date. This Act takes effect upon |

12 becoming law.