



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4624

by Rep. John A. Fritchey

SYNOPSIS AS INTRODUCED:

40 ILCS 5/6-165

from Ch. 108 1/2, par. 6-165

30 ILCS 805/8.32 new

Amends the Chicago Firefighter Article of the Illinois Pension Code. Provides that, in calendar year 2009 and each year thereafter, the city shall levy a tax annually at a rate on the dollar of the value, as equalized or assessed by the Department of Revenue of all taxable property within such city that will produce, when extended, not less than (was, not to exceed) an amount equal to the total amount of contributions by the employees to the fund made in the calendar year 2 years prior to the year for which the annual applicable tax is levied, multiplied by 2.26. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB095 18207 AMC 44291 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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:**

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 6-165 as follows:

6 (40 ILCS 5/6-165) (from Ch. 108 1/2, par. 6-165)
7 Sec. 6-165. Financing; tax.

8 (a) Except as expressly provided in this Section, each city
9 shall levy a tax annually upon all taxable property therein for
10 the purpose of providing revenue for the fund. For the years
11 prior to the year 1960, the tax rate shall be as provided for
12 in the "Firemen's Annuity and Benefit Fund of the Illinois
13 Municipal Code". The tax, from and after January 1, 1968 to and
14 including the year 1971, shall not exceed .0863% of the value,
15 as equalized or assessed by the Department of Revenue, of all
16 taxable property in the city. Beginning with the year 1972 and
17 each year thereafter the city shall levy a tax annually at a
18 rate on the dollar of the value, as equalized or assessed by
19 the Department of Revenue of all taxable property within such
20 city that will produce, when extended, not to exceed an amount
21 equal to the total amount of contributions by the employees to
22 the fund made in the calendar year 2 years prior to the year
23 for which the annual applicable tax is levied, multiplied by

1 2.23 through the calendar year 1981, and by 2.26 for the year
2 1982 and for each year thereafter through the calendar year
3 2008. In calendar year 2009 and each year thereafter, the city
4 shall levy a tax annually at a rate on the dollar of the value,
5 as equalized or assessed by the Department of Revenue of all
6 taxable property within such city that will produce, when
7 extended, not less than an amount equal to the total amount of
8 contributions by the employees to the fund made in the calendar
9 year 2 years prior to the year for which the annual applicable
10 tax is levied, multiplied by 2.26.

11 To provide revenue for the ordinary death benefit
12 established by Section 6-150 of this Article, in addition to
13 the contributions by the firemen for this purpose, the city
14 council shall for the year 1962 and each year thereafter
15 annually levy a tax, which shall be in addition to and
16 exclusive of the taxes authorized to be levied under the
17 foregoing provisions of this Section, upon all taxable property
18 in the city, as equalized or assessed by the Department of
19 Revenue, at such rate per cent of the value of such property as
20 shall be sufficient to produce for each year the sum of
21 \$142,000.

22 The amounts produced by the taxes levied annually, together
23 with the deposit expressly authorized in this Section, shall be
24 sufficient, when added to the amounts deducted from the
25 salaries of firemen and applied to the fund, to provide for the
26 purposes of the fund.

1 (b) The taxes shall be levied and collected in like manner
2 with the general taxes of the city, and shall be in addition to
3 all other taxes which the city may levy upon all taxable
4 property therein and shall be exclusive of and in addition to
5 the amount of tax the city may levy for general purposes under
6 Section 8-3-1 of the Illinois Municipal Code, approved May 29,
7 1961, as amended, or under any other law or laws which may
8 limit the amount of tax which the city may levy for general
9 purposes.

10 (c) The amounts of the taxes to be levied in each year
11 shall be certified to the city council by the board.

12 (d) As soon as any revenue derived from such taxes is
13 collected, it shall be paid to the city treasurer and held for
14 the benefit of the fund, and all such revenue shall be paid
15 into the fund in accordance with the provisions of this
16 Article.

17 (e) If the funds available are insufficient during any year
18 to meet the requirements of this Article, the city may issue
19 tax anticipation warrants, against the tax levies herein
20 authorized for the current fiscal year.

21 (f) The various sums, hereinafter stated, including
22 interest, to be contributed by the city, shall be taken from
23 the revenue derived from the taxes or otherwise as expressly
24 provided in this Section. Except for defraying the cost of
25 administration of the fund during the calendar year in which a
26 city first attains a population of 500,000 and comes under the

1 provisions of this Article and the first calendar year
2 thereafter, any money of the city derived from any source other
3 than these taxes or the sale of tax anticipation warrants shall
4 not be used to provide revenue for the fund, nor to pay any
5 part of the cost of administration thereof, unless applied to
6 make the deposit expressly authorized in this Section or the
7 additional city contributions required under subsection (h).

8 (g) In lieu of levying all or a portion of the tax required
9 under this Section in any year, the city may deposit with the
10 city treasurer no later than March 1 of that year for the
11 benefit of the fund, to be held in accordance with this
12 Article, an amount that, together with the taxes levied under
13 this Section for that year, is not less than the amount of the
14 city contributions for that year as certified by the board to
15 the city council. The deposit may be derived from any source
16 legally available for that purpose, including, but not limited
17 to, the proceeds of city borrowings. The making of a deposit
18 shall satisfy fully the requirements of this Section for that
19 year to the extent of the amounts so deposited. Amounts
20 deposited under this subsection may be used by the fund for any
21 of the purposes for which the proceeds of the taxes levied
22 under this Section may be used, including the payment of any
23 amount that is otherwise required by this Article to be paid
24 from the proceeds of those taxes.

25 (h) In addition to the contributions required under the
26 other provisions of this Article, by November 1 of the

1 following specified years, the city shall deposit with the city
2 treasurer for the benefit of the fund, to be held and used in
3 accordance with this Article, the following specified amounts:
4 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;
5 \$5,040,000 in 2002; and \$4,620,000 in 2003.

6 The additional city contributions required under this
7 subsection are intended to decrease the unfunded liability of
8 the fund and shall not decrease the amount of the city
9 contributions required under the other provisions of this
10 Article. The additional city contributions made under this
11 subsection may be used by the fund for any of its lawful
12 purposes.

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

14 Section 90. The State Mandates Act is amended by adding
15 Section 8.32 as follows:

16 (30 ILCS 805/8.32 new)

17 Sec. 8.32. Exempt mandate. Notwithstanding Sections 6 and 8
18 of this Act, no reimbursement by the State is required for the
19 implementation of any mandate created by this amendatory Act of
20 the 95th General Assembly.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.