



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

**HB4904**

by Rep. Mark H. Beaubien, Jr.

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Pension Impact Note Act. Requires that a pension impact note for legislation affecting downstate police and downstate firefighter pension funds must demonstrate the fiscal impact of the legislation on at least 25 municipalities with the pension funds. Amends the Property Tax Extension Limitation Law in the Property Tax Code. Exempts, from the definition of "aggregate extension", all contributions to a pension fund created under certain Articles of the Illinois Pension Code. Amends the Illinois Pension Code. Makes changes concerning prohibited transactions by fiduciaries of a pension fund established under the Downstate Police or Downstate Firefighter Article (Article 3 or 4), examinations of pension funds, and witnesses and adds provisions concerning consulting services, prohibitions on gifts for members of a board of trustees of a pension fund established under Article 3 or 4, fraudulent claims for disability pensions by police officers and firefighters, award of benefits, publication of a notice regarding the fiscal status of a pension fund established under Article 3 or 4, and a report by the Commission on Government Forecasting and Accountability on pension funds established under Article 3 or 4. Makes other changes. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB095 15674 AMC 41679 b

CORRECTIONAL  
BUDGET AND  
IMPACT NOTE ACT  
MAY APPLY

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 Pension Impact Note Act is amended by  
5 changing Section 3 as follows:

6 (25 ILCS 55/3) (from Ch. 63, par. 42.43)

7 Sec. 3. Content of pension impact note.

8 (a) The pension impact note shall be factual in nature, as  
9 brief and concise as may be (except as otherwise provided in  
10 subsection (b)), and shall provide a reliable estimate of the  
11 impact of the bill on any public pension systems to be effected  
12 by it, in dollars where appropriate, and, in addition, it shall  
13 include both the immediate effect and, if determinable or  
14 reasonably foreseeable, the long range effect of the measure.  
15 If, after careful investigation, it is determined that no  
16 dollar estimate is possible, the note shall contain a statement  
17 to that effect, setting forth the reasons why no dollar  
18 estimate can be given. A brief summary or work sheet of  
19 computations used in arriving at pension impact note figures  
20 shall be included.

21 (b) The pension impact note for any legislation or  
22 amendment that would result in an increase in benefits, a  
23 modification of how benefits are disbursed, or increase costs

1 to a pension fund established under Article 3 or 4 of the  
2 Illinois Pension Code must demonstrate the fiscal impact of the  
3 legislation being considered on at least 25 municipalities with  
4 such pension funds. Every 2 years, beginning with the year in  
5 which this amendatory Act of the 95th General Assembly takes  
6 effect, a statewide association representing municipalities  
7 shall submit a list of 25 municipal funds to the Commission on  
8 Government Forecasting and Accountability to be used for the  
9 fulfillment of the requirements of this Section.

10 (Source: P.A. 79-1397.)

11 Section 10. The Property Tax Code is amended by changing  
12 Section 18-185 as follows:

13 (35 ILCS 200/18-185)

14 Sec. 18-185. Short title; definitions. This Division 5 may  
15 be cited as the Property Tax Extension Limitation Law. As used  
16 in this Division 5:

17 "Consumer Price Index" means the Consumer Price Index for  
18 All Urban Consumers for all items published by the United  
19 States Department of Labor.

20 "Extension limitation" means (a) the lesser of 5% or the  
21 percentage increase in the Consumer Price Index during the  
22 12-month calendar year preceding the levy year or (b) the rate  
23 of increase approved by voters under Section 18-205.

24 "Affected county" means a county of 3,000,000 or more

1 inhabitants or a county contiguous to a county of 3,000,000 or  
2 more inhabitants.

3 "Taxing district" has the same meaning provided in Section  
4 1-150, except as otherwise provided in this Section. For the  
5 1991 through 1994 levy years only, "taxing district" includes  
6 only each non-home rule taxing district having the majority of  
7 its 1990 equalized assessed value within any county or counties  
8 contiguous to a county with 3,000,000 or more inhabitants.  
9 Beginning with the 1995 levy year, "taxing district" includes  
10 only each non-home rule taxing district subject to this Law  
11 before the 1995 levy year and each non-home rule taxing  
12 district not subject to this Law before the 1995 levy year  
13 having the majority of its 1994 equalized assessed value in an  
14 affected county or counties. Beginning with the levy year in  
15 which this Law becomes applicable to a taxing district as  
16 provided in Section 18-213, "taxing district" also includes  
17 those taxing districts made subject to this Law as provided in  
18 Section 18-213.

19 "Aggregate extension" for taxing districts to which this  
20 Law applied before the 1995 levy year means the annual  
21 corporate extension for the taxing district and those special  
22 purpose extensions that are made annually for the taxing  
23 district, excluding special purpose extensions: (a) made for  
24 the taxing district to pay interest or principal on general  
25 obligation bonds that were approved by referendum; (b) made for  
26 any taxing district to pay interest or principal on general

1 obligation bonds issued before October 1, 1991; (c) made for  
2 any taxing district to pay interest or principal on bonds  
3 issued to refund or continue to refund those bonds issued  
4 before October 1, 1991; (d) made for any taxing district to pay  
5 interest or principal on bonds issued to refund or continue to  
6 refund bonds issued after October 1, 1991 that were approved by  
7 referendum; (e) made for any taxing district to pay interest or  
8 principal on revenue bonds issued before October 1, 1991 for  
9 payment of which a property tax levy or the full faith and  
10 credit of the unit of local government is pledged; however, a  
11 tax for the payment of interest or principal on those bonds  
12 shall be made only after the governing body of the unit of  
13 local government finds that all other sources for payment are  
14 insufficient to make those payments; (f) made for payments  
15 under a building commission lease when the lease payments are  
16 for the retirement of bonds issued by the commission before  
17 October 1, 1991, to pay for the building project; (g) made for  
18 payments due under installment contracts entered into before  
19 October 1, 1991; (h) made for payments of principal and  
20 interest on bonds issued under the Metropolitan Water  
21 Reclamation District Act to finance construction projects  
22 initiated before October 1, 1991; (i) made for payments of  
23 principal and interest on limited bonds, as defined in Section  
24 3 of the Local Government Debt Reform Act, in an amount not to  
25 exceed the debt service extension base less the amount in items  
26 (b), (c), (e), and (h) of this definition for non-referendum

1 obligations, except obligations initially issued pursuant to  
2 referendum; (j) made for payments of principal and interest on  
3 bonds issued under Section 15 of the Local Government Debt  
4 Reform Act; (k) made by a school district that participates in  
5 the Special Education District of Lake County, created by  
6 special education joint agreement under Section 10-22.31 of the  
7 School Code, for payment of the school district's share of the  
8 amounts required to be contributed by the Special Education  
9 District of Lake County to the Illinois Municipal Retirement  
10 Fund under Article 7 of the Illinois Pension Code; the amount  
11 of any extension under this item (k) shall be certified by the  
12 school district to the county clerk; (l) made to fund expenses  
13 of providing joint recreational programs for the handicapped  
14 under Section 5-8 of the Park District Code or Section 11-95-14  
15 of the Illinois Municipal Code; (m) made for temporary  
16 relocation loan repayment purposes pursuant to Sections 2-3.77  
17 and 17-2.2d of the School Code; (n) made for payment of  
18 principal and interest on any bonds issued under the authority  
19 of Section 17-2.2d of the School Code; and (o) made for  
20 contributions to a ~~firefighter's~~ pension fund created under  
21 Article 3, Article 4, or Article 7 of the Illinois Pension  
22 Code, ~~to the extent of the amount certified under item (5) of~~  
23 ~~Section 4-134 of the Illinois Pension Code.~~

24 "Aggregate extension" for the taxing districts to which  
25 this Law did not apply before the 1995 levy year (except taxing  
26 districts subject to this Law in accordance with Section

1 18-213) means the annual corporate extension for the taxing  
2 district and those special purpose extensions that are made  
3 annually for the taxing district, excluding special purpose  
4 extensions: (a) made for the taxing district to pay interest or  
5 principal on general obligation bonds that were approved by  
6 referendum; (b) made for any taxing district to pay interest or  
7 principal on general obligation bonds issued before March 1,  
8 1995; (c) made for any taxing district to pay interest or  
9 principal on bonds issued to refund or continue to refund those  
10 bonds issued before March 1, 1995; (d) made for any taxing  
11 district to pay interest or principal on bonds issued to refund  
12 or continue to refund bonds issued after March 1, 1995 that  
13 were approved by referendum; (e) made for any taxing district  
14 to pay interest or principal on revenue bonds issued before  
15 March 1, 1995 for payment of which a property tax levy or the  
16 full faith and credit of the unit of local government is  
17 pledged; however, a tax for the payment of interest or  
18 principal on those bonds shall be made only after the governing  
19 body of the unit of local government finds that all other  
20 sources for payment are insufficient to make those payments;  
21 (f) made for payments under a building commission lease when  
22 the lease payments are for the retirement of bonds issued by  
23 the commission before March 1, 1995 to pay for the building  
24 project; (g) made for payments due under installment contracts  
25 entered into before March 1, 1995; (h) made for payments of  
26 principal and interest on bonds issued under the Metropolitan

1 Water Reclamation District Act to finance construction  
2 projects initiated before October 1, 1991; (h-4) made for  
3 stormwater management purposes by the Metropolitan Water  
4 Reclamation District of Greater Chicago under Section 12 of the  
5 Metropolitan Water Reclamation District Act; (i) made for  
6 payments of principal and interest on limited bonds, as defined  
7 in Section 3 of the Local Government Debt Reform Act, in an  
8 amount not to exceed the debt service extension base less the  
9 amount in items (b), (c), and (e) of this definition for  
10 non-referendum obligations, except obligations initially  
11 issued pursuant to referendum and bonds described in subsection  
12 (h) of this definition; (j) made for payments of principal and  
13 interest on bonds issued under Section 15 of the Local  
14 Government Debt Reform Act; (k) made for payments of principal  
15 and interest on bonds authorized by Public Act 88-503 and  
16 issued under Section 20a of the Chicago Park District Act for  
17 aquarium or museum projects; (l) made for payments of principal  
18 and interest on bonds authorized by Public Act 87-1191 or  
19 93-601 and (i) issued pursuant to Section 21.2 of the Cook  
20 County Forest Preserve District Act, (ii) issued under Section  
21 42 of the Cook County Forest Preserve District Act for  
22 zoological park projects, or (iii) issued under Section 44.1 of  
23 the Cook County Forest Preserve District Act for botanical  
24 gardens projects; (m) made pursuant to Section 34-53.5 of the  
25 School Code, whether levied annually or not; (n) made to fund  
26 expenses of providing joint recreational programs for the

1 handicapped under Section 5-8 of the Park District Code or  
2 Section 11-95-14 of the Illinois Municipal Code; (o) made by  
3 the Chicago Park District for recreational programs for the  
4 handicapped under subsection (c) of Section 7.06 of the Chicago  
5 Park District Act; (p) made for contributions to a  
6 firefighter's pension fund created under Article 4 of the  
7 Illinois Pension Code, to the extent of the amount certified  
8 under item (5) of Section 4-134 of the Illinois Pension Code;  
9 and (q) made by Ford Heights School District 169 under Section  
10 17-9.02 of the School Code.

11 "Aggregate extension" for all taxing districts to which  
12 this Law applies in accordance with Section 18-213, except for  
13 those taxing districts subject to paragraph (2) of subsection  
14 (e) of Section 18-213, means the annual corporate extension for  
15 the taxing district and those special purpose extensions that  
16 are made annually for the taxing district, excluding special  
17 purpose extensions: (a) made for the taxing district to pay  
18 interest or principal on general obligation bonds that were  
19 approved by referendum; (b) made for any taxing district to pay  
20 interest or principal on general obligation bonds issued before  
21 the date on which the referendum making this Law applicable to  
22 the taxing district is held; (c) made for any taxing district  
23 to pay interest or principal on bonds issued to refund or  
24 continue to refund those bonds issued before the date on which  
25 the referendum making this Law applicable to the taxing  
26 district is held; (d) made for any taxing district to pay

1 interest or principal on bonds issued to refund or continue to  
2 refund bonds issued after the date on which the referendum  
3 making this Law applicable to the taxing district is held if  
4 the bonds were approved by referendum after the date on which  
5 the referendum making this Law applicable to the taxing  
6 district is held; (e) made for any taxing district to pay  
7 interest or principal on revenue bonds issued before the date  
8 on which the referendum making this Law applicable to the  
9 taxing district is held for payment of which a property tax  
10 levy or the full faith and credit of the unit of local  
11 government is pledged; however, a tax for the payment of  
12 interest or principal on those bonds shall be made only after  
13 the governing body of the unit of local government finds that  
14 all other sources for payment are insufficient to make those  
15 payments; (f) made for payments under a building commission  
16 lease when the lease payments are for the retirement of bonds  
17 issued by the commission before the date on which the  
18 referendum making this Law applicable to the taxing district is  
19 held to pay for the building project; (g) made for payments due  
20 under installment contracts entered into before the date on  
21 which the referendum making this Law applicable to the taxing  
22 district is held; (h) made for payments of principal and  
23 interest on limited bonds, as defined in Section 3 of the Local  
24 Government Debt Reform Act, in an amount not to exceed the debt  
25 service extension base less the amount in items (b), (c), and  
26 (e) of this definition for non-referendum obligations, except

1 obligations initially issued pursuant to referendum; (i) made  
2 for payments of principal and interest on bonds issued under  
3 Section 15 of the Local Government Debt Reform Act; (j) made  
4 for a qualified airport authority to pay interest or principal  
5 on general obligation bonds issued for the purpose of paying  
6 obligations due under, or financing airport facilities  
7 required to be acquired, constructed, installed or equipped  
8 pursuant to, contracts entered into before March 1, 1996 (but  
9 not including any amendments to such a contract taking effect  
10 on or after that date); (k) made to fund expenses of providing  
11 joint recreational programs for the handicapped under Section  
12 5-8 of the Park District Code or Section 11-95-14 of the  
13 Illinois Municipal Code; and (l) made for contributions to a  
14 ~~firefighter's~~ pension fund created under Article 3, Article 4,  
15 or Article 7 of the Illinois Pension Code, ~~to the extent of the~~  
16 ~~amount certified under item (5) of Section 4-134 of the~~  
17 ~~Illinois Pension Code.~~

18 "Aggregate extension" for all taxing districts to which  
19 this Law applies in accordance with paragraph (2) of subsection  
20 (e) of Section 18-213 means the annual corporate extension for  
21 the taxing district and those special purpose extensions that  
22 are made annually for the taxing district, excluding special  
23 purpose extensions: (a) made for the taxing district to pay  
24 interest or principal on general obligation bonds that were  
25 approved by referendum; (b) made for any taxing district to pay  
26 interest or principal on general obligation bonds issued before

1 the effective date of this amendatory Act of 1997; (c) made for  
2 any taxing district to pay interest or principal on bonds  
3 issued to refund or continue to refund those bonds issued  
4 before the effective date of this amendatory Act of 1997; (d)  
5 made for any taxing district to pay interest or principal on  
6 bonds issued to refund or continue to refund bonds issued after  
7 the effective date of this amendatory Act of 1997 if the bonds  
8 were approved by referendum after the effective date of this  
9 amendatory Act of 1997; (e) made for any taxing district to pay  
10 interest or principal on revenue bonds issued before the  
11 effective date of this amendatory Act of 1997 for payment of  
12 which a property tax levy or the full faith and credit of the  
13 unit of local government is pledged; however, a tax for the  
14 payment of interest or principal on those bonds shall be made  
15 only after the governing body of the unit of local government  
16 finds that all other sources for payment are insufficient to  
17 make those payments; (f) made for payments under a building  
18 commission lease when the lease payments are for the retirement  
19 of bonds issued by the commission before the effective date of  
20 this amendatory Act of 1997 to pay for the building project;  
21 (g) made for payments due under installment contracts entered  
22 into before the effective date of this amendatory Act of 1997;  
23 (h) made for payments of principal and interest on limited  
24 bonds, as defined in Section 3 of the Local Government Debt  
25 Reform Act, in an amount not to exceed the debt service  
26 extension base less the amount in items (b), (c), and (e) of

1 this definition for non-referendum obligations, except  
2 obligations initially issued pursuant to referendum; (i) made  
3 for payments of principal and interest on bonds issued under  
4 Section 15 of the Local Government Debt Reform Act; (j) made  
5 for a qualified airport authority to pay interest or principal  
6 on general obligation bonds issued for the purpose of paying  
7 obligations due under, or financing airport facilities  
8 required to be acquired, constructed, installed or equipped  
9 pursuant to, contracts entered into before March 1, 1996 (but  
10 not including any amendments to such a contract taking effect  
11 on or after that date); (k) made to fund expenses of providing  
12 joint recreational programs for the handicapped under Section  
13 5-8 of the Park District Code or Section 11-95-14 of the  
14 Illinois Municipal Code; and (l) made for contributions to a  
15 ~~firefighter's~~ pension fund created under Article 3, Article 4,  
16 or Article 7 of the Illinois Pension Code, ~~to the extent of the~~  
17 ~~amount certified under item (5) of Section 4-134 of the~~  
18 ~~Illinois Pension Code.~~

19 "Debt service extension base" means an amount equal to that  
20 portion of the extension for a taxing district for the 1994  
21 levy year, or for those taxing districts subject to this Law in  
22 accordance with Section 18-213, except for those subject to  
23 paragraph (2) of subsection (e) of Section 18-213, for the levy  
24 year in which the referendum making this Law applicable to the  
25 taxing district is held, or for those taxing districts subject  
26 to this Law in accordance with paragraph (2) of subsection (e)

1 of Section 18-213 for the 1996 levy year, constituting an  
2 extension for payment of principal and interest on bonds issued  
3 by the taxing district without referendum, but not including  
4 excluded non-referendum bonds. For park districts (i) that were  
5 first subject to this Law in 1991 or 1995 and (ii) whose  
6 extension for the 1994 levy year for the payment of principal  
7 and interest on bonds issued by the park district without  
8 referendum (but not including excluded non-referendum bonds)  
9 was less than 51% of the amount for the 1991 levy year  
10 constituting an extension for payment of principal and interest  
11 on bonds issued by the park district without referendum (but  
12 not including excluded non-referendum bonds), "debt service  
13 extension base" means an amount equal to that portion of the  
14 extension for the 1991 levy year constituting an extension for  
15 payment of principal and interest on bonds issued by the park  
16 district without referendum (but not including excluded  
17 non-referendum bonds). The debt service extension base may be  
18 established or increased as provided under Section 18-212.  
19 "Excluded non-referendum bonds" means (i) bonds authorized by  
20 Public Act 88-503 and issued under Section 20a of the Chicago  
21 Park District Act for aquarium and museum projects; (ii) bonds  
22 issued under Section 15 of the Local Government Debt Reform  
23 Act; or (iii) refunding obligations issued to refund or to  
24 continue to refund obligations initially issued pursuant to  
25 referendum.

26 "Special purpose extensions" include, but are not limited

1 to, extensions for levies made on an annual basis for  
2 unemployment and workers' compensation, self-insurance,  
3 contributions to pension plans, and extensions made pursuant to  
4 Section 6-601 of the Illinois Highway Code for a road  
5 district's permanent road fund whether levied annually or not.  
6 The extension for a special service area is not included in the  
7 aggregate extension.

8 "Aggregate extension base" means the taxing district's  
9 last preceding aggregate extension as adjusted under Sections  
10 18-135, 18-215, and 18-230. An adjustment under Section 18-135  
11 shall be made for the 2007 levy year and all subsequent levy  
12 years whenever one or more counties within which a taxing  
13 district is located (i) used estimated valuations or rates when  
14 extending taxes in the taxing district for the last preceding  
15 levy year that resulted in the over or under extension of  
16 taxes, or (ii) increased or decreased the tax extension for the  
17 last preceding levy year as required by Section 18-135(c).  
18 Whenever an adjustment is required under Section 18-135, the  
19 aggregate extension base of the taxing district shall be equal  
20 to the amount that the aggregate extension of the taxing  
21 district would have been for the last preceding levy year if  
22 either or both (i) actual, rather than estimated, valuations or  
23 rates had been used to calculate the extension of taxes for the  
24 last levy year, or (ii) the tax extension for the last  
25 preceding levy year had not been adjusted as required by  
26 subsection (c) of Section 18-135.

1 "Levy year" has the same meaning as "year" under Section  
2 1-155.

3 "New property" means (i) the assessed value, after final  
4 board of review or board of appeals action, of new improvements  
5 or additions to existing improvements on any parcel of real  
6 property that increase the assessed value of that real property  
7 during the levy year multiplied by the equalization factor  
8 issued by the Department under Section 17-30, (ii) the assessed  
9 value, after final board of review or board of appeals action,  
10 of real property not exempt from real estate taxation, which  
11 real property was exempt from real estate taxation for any  
12 portion of the immediately preceding levy year, multiplied by  
13 the equalization factor issued by the Department under Section  
14 17-30, including the assessed value, upon final stabilization  
15 of occupancy after new construction is complete, of any real  
16 property located within the boundaries of an otherwise or  
17 previously exempt military reservation that is intended for  
18 residential use and owned by or leased to a private corporation  
19 or other entity, and (iii) in counties that classify in  
20 accordance with Section 4 of Article IX of the Illinois  
21 Constitution, an incentive property's additional assessed  
22 value resulting from a scheduled increase in the level of  
23 assessment as applied to the first year final board of review  
24 market value. In addition, the county clerk in a county  
25 containing a population of 3,000,000 or more shall include in  
26 the 1997 recovered tax increment value for any school district,

1 any recovered tax increment value that was applicable to the  
2 1995 tax year calculations.

3 "Qualified airport authority" means an airport authority  
4 organized under the Airport Authorities Act and located in a  
5 county bordering on the State of Wisconsin and having a  
6 population in excess of 200,000 and not greater than 500,000.

7 "Recovered tax increment value" means, except as otherwise  
8 provided in this paragraph, the amount of the current year's  
9 equalized assessed value, in the first year after a  
10 municipality terminates the designation of an area as a  
11 redevelopment project area previously established under the  
12 Tax Increment Allocation Development Act in the Illinois  
13 Municipal Code, previously established under the Industrial  
14 Jobs Recovery Law in the Illinois Municipal Code, previously  
15 established under the Economic Development Project Area Tax  
16 Increment Act of 1995, or previously established under the  
17 Economic Development Area Tax Increment Allocation Act, of each  
18 taxable lot, block, tract, or parcel of real property in the  
19 redevelopment project area over and above the initial equalized  
20 assessed value of each property in the redevelopment project  
21 area. For the taxes which are extended for the 1997 levy year,  
22 the recovered tax increment value for a non-home rule taxing  
23 district that first became subject to this Law for the 1995  
24 levy year because a majority of its 1994 equalized assessed  
25 value was in an affected county or counties shall be increased  
26 if a municipality terminated the designation of an area in 1993

1 as a redevelopment project area previously established under  
2 the Tax Increment Allocation Development Act in the Illinois  
3 Municipal Code, previously established under the Industrial  
4 Jobs Recovery Law in the Illinois Municipal Code, or previously  
5 established under the Economic Development Area Tax Increment  
6 Allocation Act, by an amount equal to the 1994 equalized  
7 assessed value of each taxable lot, block, tract, or parcel of  
8 real property in the redevelopment project area over and above  
9 the initial equalized assessed value of each property in the  
10 redevelopment project area. In the first year after a  
11 municipality removes a taxable lot, block, tract, or parcel of  
12 real property from a redevelopment project area established  
13 under the Tax Increment Allocation Development Act in the  
14 Illinois Municipal Code, the Industrial Jobs Recovery Law in  
15 the Illinois Municipal Code, or the Economic Development Area  
16 Tax Increment Allocation Act, "recovered tax increment value"  
17 means the amount of the current year's equalized assessed value  
18 of each taxable lot, block, tract, or parcel of real property  
19 removed from the redevelopment project area over and above the  
20 initial equalized assessed value of that real property before  
21 removal from the redevelopment project area.

22 Except as otherwise provided in this Section, "limiting  
23 rate" means a fraction the numerator of which is the last  
24 preceding aggregate extension base times an amount equal to one  
25 plus the extension limitation defined in this Section and the  
26 denominator of which is the current year's equalized assessed

1 value of all real property in the territory under the  
2 jurisdiction of the taxing district during the prior levy year.  
3 For those taxing districts that reduced their aggregate  
4 extension for the last preceding levy year, the highest  
5 aggregate extension in any of the last 3 preceding levy years  
6 shall be used for the purpose of computing the limiting rate.  
7 The denominator shall not include new property or the recovered  
8 tax increment value. If a new rate, a rate decrease, or a  
9 limiting rate increase has been approved at an election held  
10 after March 21, 2006, then (i) the otherwise applicable  
11 limiting rate shall be increased by the amount of the new rate  
12 or shall be reduced by the amount of the rate decrease, as the  
13 case may be, or (ii) in the case of a limiting rate increase,  
14 the limiting rate shall be equal to the rate set forth in the  
15 proposition approved by the voters for each of the years  
16 specified in the proposition, after which the limiting rate of  
17 the taxing district shall be calculated as otherwise provided.  
18 (Source: P.A. 94-974, eff. 6-30-06; 94-976, eff. 6-30-06;  
19 94-1078, eff. 1-9-07; 95-90, eff. 1-1-08; 95-331, eff. 8-21-07;  
20 95-404, eff. 1-1-08; revised 11-2-07.)

21 Section 15. The Illinois Pension Code is amended by  
22 changing Sections 1-110, 1-113.5, 1A-104, 1A-112, 1-113.5,  
23 3-115, 3-136, 4-112, and 4-123.1 and by adding Sections 1-125,  
24 3-141.1, 3-143.1, 3-146, 3-151, 4-130.1, 4-134.1, 4-136,  
25 22-1004 as follows:

1 (40 ILCS 5/1-110) (from Ch. 108 1/2, par. 1-110)

2 Sec. 1-110. Prohibited Transactions.

3 (a) A fiduciary with respect to a retirement system or  
4 pension fund shall not cause the retirement system or pension  
5 fund to engage in a transaction if he or she knows or should  
6 know that such transaction constitutes a direct or indirect:

7 (1) Sale or exchange, or leasing of any property from  
8 the retirement system or pension fund to a party in  
9 interest for less than adequate consideration, or from a  
10 party in interest to a retirement system or pension fund  
11 for more than adequate consideration.

12 (2) Lending of money or other extension of credit from  
13 the retirement system or pension fund to a party in  
14 interest without the receipt of adequate security and a  
15 reasonable rate of interest, or from a party in interest to  
16 a retirement system or pension fund with the provision of  
17 excessive security or an unreasonably high rate of  
18 interest.

19 (3) Furnishing of goods, services or facilities from  
20 the retirement system or pension fund to a party in  
21 interest for less than adequate consideration, or from a  
22 party in interest to a retirement system or pension fund  
23 for more than adequate consideration.

24 (4) Transfer to, or use by or for the benefit of, a  
25 party in interest of any assets of a retirement system or

1 pension fund for less than adequate consideration.

2 (b) A fiduciary with respect to a retirement system or  
3 pension fund established under this Code shall not:

4 (1) Deal with the assets of the retirement system or  
5 pension fund in his own interest or for his own account;

6 (2) In his individual or any other capacity act in any  
7 transaction involving the retirement system or pension  
8 fund on behalf of a party whose interests are adverse to  
9 the interests of the retirement system or pension fund or  
10 the interests of its participants or beneficiaries; or

11 (3) Receive any consideration for his own personal  
12 account from any party dealing with the retirement system  
13 or pension fund in connection with a transaction involving  
14 the assets of the retirement system or pension fund.

15 (c) Nothing in this Section shall be construed to prohibit  
16 any trustee from:

17 (1) Receiving any benefit to which he may be entitled  
18 as a participant or beneficiary in the retirement system or  
19 pension fund.

20 (2) Receiving any reimbursement of expenses properly  
21 and actually incurred in the performance of his duties with  
22 the retirement system or pension fund.

23 (3) Serving as a trustee in addition to being an  
24 officer, employee, agent or other representative of a party  
25 in interest.

26 (d) A fiduciary of a pension fund established under Article

1 3 or 4 shall not knowingly cause or advise the pension fund to  
2 engage in an investment transaction when the fiduciary (i) has  
3 any direct interest in the income, gains, or profits of the  
4 investment advisor through which the investment transaction is  
5 made or (ii) has a business relationship with that investment  
6 advisor that would result in a pecuniary benefit to the  
7 fiduciary as a result of the investment transaction.

8 Violation of this subsection (d) is a Class 4 felony.

9 (Source: P.A. 88-535.)

10 (40 ILCS 5/1-113.5)

11 Sec. 1-113.5. Investment advisers and investment services.

12 (a) The board of trustees of a pension fund may appoint  
13 investment advisers as defined in Section 1-101.4. The board of  
14 any pension fund investing in common or preferred stock under  
15 Section 1-113.4 shall appoint an investment adviser before  
16 making such investments.

17 The investment adviser shall be a fiduciary, as defined in  
18 Section 1-101.2, with respect to the pension fund and shall be  
19 one of the following:

20 (1) an investment adviser registered under the federal  
21 Investment Advisers Act of 1940 and the Illinois Securities  
22 Law of 1953;

23 (2) a bank or trust company authorized to conduct a  
24 trust business in Illinois;

25 (3) a life insurance company authorized to transact

1 business in Illinois; or

2 (4) an investment company as defined and registered  
3 under the federal Investment Company Act of 1940 and  
4 registered under the Illinois Securities Law of 1953.

5 (a-5) Notwithstanding any other provision of law, a person  
6 or entity that provides consulting services (referred to as a  
7 "consultant" in this Section) to a pension fund with respect to  
8 the selection of fiduciaries may not be awarded a contract to  
9 provide those consulting services that is more than 5 years in  
10 duration. No contract to provide such consulting services may  
11 be renewed or extended. At the end of the term of a contract,  
12 however, the contractor is eligible to compete for a new  
13 contract. No person shall attempt to avoid or contravene the  
14 restrictions of this subsection by any means. All offers from  
15 responsive offerors shall be accompanied by disclosure of the  
16 names and addresses of the following:

17 (1) The offeror.

18 (2) Any entity that is a parent of, or owns a  
19 controlling interest in, the offeror.

20 (3) Any entity that is a subsidiary of, or in which a  
21 controlling interest is owned by, the offeror.

22 Beginning on July 1, 2008, a person, other than a trustee  
23 or an employee of a pension fund or retirement system, may not  
24 act as a consultant under this Section unless that person is at  
25 least one of the following: (i) registered as an investment  
26 adviser under the federal Investment Advisers Act of 1940 (15

1 U.S.C. 80b-1, et seq.); (ii) registered as an investment  
2 adviser under the Illinois Securities Law of 1953; (iii) a  
3 bank, as defined in the Investment Advisers Act of 1940; or  
4 (iv) an insurance company authorized to transact business in  
5 this State.

6 (b) All investment advice and services provided by an  
7 investment adviser or a consultant appointed under this Section  
8 shall be rendered pursuant to a written contract between the  
9 investment adviser and the board, and in accordance with the  
10 board's investment policy.

11 The contract shall include all of the following:

12 (1) acknowledgement in writing by the investment  
13 adviser that he or she is a fiduciary with respect to the  
14 pension fund;

15 (2) the board's investment policy;

16 (3) full disclosure of direct and indirect fees,  
17 commissions, penalties, and any other compensation that  
18 may be received by the investment adviser, including  
19 reimbursement for expenses; and

20 (4) a requirement that the investment adviser submit  
21 periodic written reports, on at least a quarterly basis,  
22 for the board's review at its regularly scheduled meetings.  
23 All returns on investment shall be reported as net returns  
24 after payment of all fees, commissions, and any other  
25 compensation.

26 (b-5) Each contract described in subsection (b) shall also

1 include (i) full disclosure of direct and indirect fees,  
2 commissions, penalties, and other compensation, including  
3 reimbursement for expenses, that may be paid by or on behalf of  
4 the investment adviser or consultant in connection with the  
5 provision of services to the pension fund and (ii) a  
6 requirement that the investment adviser or consultant update  
7 the disclosure promptly after a modification of those payments  
8 or an additional payment.

9 Within 30 days after the effective date of this amendatory  
10 Act of the 95th General Assembly, each investment adviser and  
11 consultant providing services on the effective date or subject  
12 to an existing contract for the provision of services must  
13 disclose to the board of trustees all direct and indirect fees,  
14 commissions, penalties, and other compensation paid by or on  
15 behalf of the investment adviser or consultant in connection  
16 with the provision of those services and shall update that  
17 disclosure promptly after a modification of those payments or  
18 an additional payment.

19 A person required to make a disclosure under subsection (d)  
20 is also required to disclose direct and indirect fees,  
21 commissions, penalties, or other compensation that shall or may  
22 be paid by or on behalf of the person in connection with the  
23 rendering of those services. The person shall update the  
24 disclosure promptly after a modification of those payments or  
25 an additional payment.

26 The disclosures required by this subsection shall be in

1 writing and shall include the date and amount of each payment  
2 and the name and address of each recipient of a payment.

3 (c) Within 30 days after appointing an investment adviser  
4 or consultant, the board shall submit a copy of the contract to  
5 the Division Department of Insurance of the Department of  
6 Financial and Professional Regulation.

7 (d) Investment services provided by a person other than an  
8 investment adviser appointed under this Section, including but  
9 not limited to services provided by the kinds of persons listed  
10 in items (1) through (4) of subsection (a), shall be rendered  
11 only after full written disclosure of direct and indirect fees,  
12 commissions, penalties, and any other compensation that shall  
13 or may be received by the person rendering those services.

14 (e) The board of trustees of each pension fund shall retain  
15 records of investment transactions in accordance with the rules  
16 of the Department of Financial and Professional Regulation  
17 Insurance.

18 (Source: P.A. 90-507, eff. 8-22-97.)

19 (40 ILCS 5/1-125 new)

20 Sec. 1-125. Prohibition on gifts.

21 (a) For the purposes of this Section:

22 (1) "Board" means (i) the board of trustees of a  
23 pension fund created under Article 3 or 4 of this Code.

24 (2) "Gift" means a gift as defined in Section 1-5 of  
25 the State Officials and Employees Ethics Act.

1 (3) "Prohibited source" is a person or entity who:

2 (i) is seeking official action (A) by the board or  
3 (B) by a board member;

4 (ii) does business or seeks to do business (A) with  
5 the board or (B) with a board member;

6 (iii) has interests that may be substantially  
7 affected by the performance or non-performance of the  
8 official duties of the board member; or

9 (iv) is registered or required to be registered  
10 with the Secretary of State under the Lobbyist  
11 Registration Act, except that an entity not otherwise a  
12 prohibited source does not become a prohibited source  
13 merely because a registered lobbyist is one of its  
14 members or serves on its board of directors.

15 (b) No board member shall solicit or accept any gift from a  
16 prohibited source or from an officer, agent, or employee of a  
17 prohibited source. No prohibited source or officer, agent, or  
18 employee of a prohibited source shall offer to a board member  
19 or employee any gift.

20 (c) Violation of this Section is a Class A misdemeanor.

21 (40 ILCS 5/1A-104)

22 Sec. 1A-104. Examinations and investigations.

23 (a) The Division shall make periodic examinations and  
24 investigations of all pension funds established under this Code  
25 and maintained for the benefit of employees and officers of

1 governmental units in the State of Illinois. However, in lieu  
2 of making an examination and investigation, the Division may  
3 accept and rely upon a report of audit or examination of any  
4 pension fund made by an independent certified public accountant  
5 pursuant to the provisions of the Article of this Code  
6 governing the pension fund. The acceptance of the report of  
7 audit or examination does not bar the Division from making a  
8 further audit, examination, and investigation if deemed  
9 necessary by the Division.

10 The Department may implement a flexible system of  
11 examinations under which it directs resources as it deems  
12 necessary or appropriate. In consultation with the pension fund  
13 being examined, the Division may retain attorneys, independent  
14 actuaries, independent certified public accountants, and other  
15 professionals and specialists as examiners, the cost of which  
16 (except in the case of pension funds established under Article  
17 3 or 4) shall be borne by the pension fund that is the subject  
18 of the examination.

19 (b) The Division shall examine or investigate each pension  
20 fund established under Article 3 or Article 4 of this Code. The  
21 schedule of each examination shall be such that each fund shall  
22 be examined once every 3 years.

23 Each examination shall include the following:

24 (1) an audit of financial transactions, investment  
25 policies, and procedures;

26 (2) an examination of books, records, documents,

1 files, and other pertinent memoranda relating to  
2 financial, statistical, and administrative operations;

3 (3) a review of policies and procedures maintained for  
4 the administration and operation of the pension fund;

5 (4) a determination of whether or not full effect is  
6 being given to the statutory provisions governing the  
7 operation of the pension fund;

8 (5) a determination of whether or not the  
9 administrative policies in force are in accord with the  
10 purposes of the statutory provisions and effectively  
11 protect and preserve the rights and equities of the  
12 participants; ~~and~~

13 (6) a determination of whether or not proper financial  
14 and statistical records have been established and adequate  
15 documentary evidence is recorded and maintained in support  
16 of the several types of annuity and benefit payments being  
17 made; ~~and~~

18 (7) a determination of whether or not the calculations  
19 made by the fund for the payment of all annuities and  
20 benefits are accurate.

21 In addition, the Division may conduct investigations,  
22 which shall be identified as such and which may include one or  
23 more of the items listed in this subsection.

24 A copy of the report of examination or investigation as  
25 prepared by the Division shall be submitted to the secretary of  
26 the board of trustees of the pension fund examined or

1 investigated and to the chief executive officer of the  
2 municipality. The Director, upon request, shall grant a hearing  
3 to the officers or trustees of the pension fund or their duly  
4 appointed representatives, upon any facts contained in the  
5 report of examination. The hearing shall be conducted before  
6 filing the report or making public any information contained in  
7 the report. The Director may withhold the report from public  
8 inspection for up to 60 days following the hearing.

9 (Source: P.A. 90-507, eff. 8-22-97.)

10 (40 ILCS 5/1A-112)

11 Sec. 1A-112. Fees.

12 (a) Every pension fund that is required to file an annual  
13 statement under Section 1A-109 shall pay to the Department an  
14 annual compliance fee. In the case of a pension fund under  
15 Article 3 or 4 of this Code, the annual compliance fee shall be  
16 0.02% (2 basis points) of the total assets of the pension fund,  
17 as reported in the most current annual statement of the fund,  
18 but not more than \$8,000. In the case of all other pension  
19 funds and retirement systems, the annual compliance fee shall  
20 be \$8,000.

21 (b) The annual compliance fee shall be due on June 30 for  
22 the following State fiscal year, except that the fee payable in  
23 1997 for fiscal year 1998 shall be due no earlier than 30 days  
24 following the effective date of this amendatory Act of 1997.

25 (c) Any information obtained by the Division that is

1 available to the public under the Freedom of Information Act  
2 and is either compiled in published form or maintained on a  
3 computer processible medium shall be furnished upon the written  
4 request of any applicant and the payment of a reasonable  
5 information services fee established by the Director,  
6 sufficient to cover the total cost to the Division of  
7 compiling, processing, maintaining, and generating the  
8 information. The information may be furnished by means of  
9 published copy or on a computer processed or computer  
10 processible medium.

11 No fee may be charged to any person for information that  
12 the Division is required by law to furnish to that person.

13 (d) Except as otherwise provided in this Section, all fees  
14 and penalties collected by the Department under this Code shall  
15 be deposited into the Public Pension Regulation Fund.

16 (e) Fees collected under subsection (c) of this Section and  
17 money collected under Section 1A-107 shall be deposited into  
18 the Department's Statistical Services Revolving Fund and  
19 credited to the account of the Public Pension Division. This  
20 income shall be used exclusively for the purposes set forth in  
21 Section 1A-107. Notwithstanding the provisions of Section  
22 408.2 of the Illinois Insurance Code, no surplus funds  
23 remaining in this account shall be deposited in the Insurance  
24 Financial Regulation Fund. All money in this account that the  
25 Director certifies is not needed for the purposes set forth in  
26 Section 1A-107 of this Code shall be transferred to the Public

1 Pension Regulation Fund.

2 (f) Nothing in this Code prohibits the General Assembly  
3 from appropriating funds from the General Revenue Fund to the  
4 Department for the purpose of administering or enforcing this  
5 Code.

6 (g) No transfers may be made from the Public Pension  
7 Regulation Fund that would reduce the available resources in  
8 the Fund.

9 (Source: P.A. 93-32, eff. 7-1-03.)

10 (40 ILCS 5/3-115) (from Ch. 108 1/2, par. 3-115)

11 Sec. 3-115. Certificate of disability.

12 (a) A disability pension shall not be paid unless there is  
13 filed with the board certificates of the police officer's  
14 disability, subscribed and sworn to by the police officer if  
15 not under legal disability, or by a representative if the  
16 officer is under legal disability, and by the police surgeon  
17 (if there be one) and 3 practicing physicians selected by the  
18 board. The board may require other evidence of disability.  
19 Medical examination of a police officer retired for disability  
20 shall be made at least once each year prior to attainment of  
21 age 50, as verification of the continuance of disability for  
22 service as a police officer. No examination shall be required  
23 after age 50.

24 (b) It is unlawful for any police officer to do any of the  
25 following:

1           (1) Intentionally present or cause to be presented any  
2           false or fraudulent claim for disability pension.

3           (2) Intentionally make or cause to be made any false or  
4           fraudulent material statement or material representation  
5           for the purpose of obtaining a disability pension.

6           (3) Intentionally make or cause to be made any false or  
7           fraudulent material statement in the course of an  
8           investigation of fraud.

9           (4) Intentionally assist, abet, solicit, or conspire  
10          with any person or other entity to commit any of the acts  
11          set forth in this Section.

12          For the purposes of paragraphs (2), (3), and (4) of this  
13          subsection (b), the term "statement" includes any writing,  
14          notice, proof of injury, bill for services, hospital or doctor  
15          records and reports, X-ray, or test results.

16          Any police officer violating this subsection (b) is guilty  
17          of a Class 4 felony. Any police officer convicted of any  
18          violation of this Section shall be ordered to pay complete  
19          restitution to any entity so defrauded in addition to any fine  
20          or sentence imposed as a result of the conviction.

21          Any person convicted of fraud related to a disability  
22          pension pursuant to this subsection (b) shall be subject to the  
23          penalties prescribed in the Criminal Code of 1961 and shall be  
24          ineligible to receive or retain any compensation, disability,  
25          or medical benefits as defined in this Act, the Workers'  
26          Compensation Act, the Workers' Occupational Diseases Act, the

1 Line of Duty Compensation Act, and the Public Safety Employee  
2 Benefits Act if the compensation, disability, or medical  
3 benefits were owed or received as a result of fraud for which  
4 the recipient of the compensation, disability, or medical  
5 benefit was convicted. This subsection (b) applies to acts  
6 occurring on or after the effective date of this amendatory Act  
7 of the 95th General Assembly. Any person convicted of fraud who  
8 knowingly obtains, attempts to obtain, or causes to be obtained  
9 any benefits under this Code by the making of a false claim or  
10 who knowingly misrepresents any material fact shall be civilly  
11 liable to the payor of benefits or assignee in an amount equal  
12 to 3 times the value of the benefits wrongfully obtained or  
13 twice the value of the benefits attempted to be obtained, plus  
14 reasonable attorney's fees and expenses incurred by the payor  
15 or assignee who successfully brings a claim under this  
16 subsection (b). This subsection (b) applies to acts occurring  
17 on or after the effective date of this amendatory Act of the  
18 95th General Assembly.

19 (Source: P.A. 83-1440.)

20 (40 ILCS 5/3-136) (from Ch. 108 1/2, par. 3-136)

21 Sec. 3-136. Witnesses. ~~To subpoena witnesses.~~

22 (a) To compel witnesses to attend and testify before it  
23 upon all matters connected with the administration of this  
24 Article, in the manner provided by law for the taking of  
25 testimony in the circuit courts of this State. The president,

1 or any board member, may administer oaths to witnesses.

2 (b) If not otherwise a party to a hearing involving an  
3 officer or member of the police department, the employer  
4 municipality shall be permitted to appear as a matter of right.

5 (Source: P.A. 83-1440.)

6 (40 ILCS 5/3-141.1 new)

7 Sec. 3-141.1. Award of benefits. Unless the municipal  
8 treasurer is already responsible for calculating the amount of  
9 benefit payments expended from the Fund, no benefit shall be  
10 awarded until the municipality, in a timely manner, reviews and  
11 verifies all benefit calculations. The verification process  
12 shall not exceed a period of 60 days.

13 (40 ILCS 5/3-143.1 new)

14 Sec. 3-143.1. Public notice; publication. At the end of  
15 each fiscal year, the Board shall, at its own expense, publish  
16 within a local newspaper of general circulation in the  
17 municipality a notice that includes the fiscal status of the  
18 pension fund, all amounts dispersed in benefits during the  
19 fiscal year, and the total number of recipients who received or  
20 are in receipt of the benefits. The information provided shall  
21 at a minimum include (1) the assets of the fund along with  
22 their current market value; (2) the amount of unfunded  
23 liability carried by the fund, along with an actuarial  
24 explanation of unfunded liability; (3) the actual investment

1 return experienced by the fund during the fiscal year; and (4)  
2 the required tax levy actuarially recommended to meet the  
3 financial obligations of the fund.

4 (40 ILCS 5/4-112) (from Ch. 108 1/2, par. 4-112)

5 Sec. 4-112. Determination of disability; restoration to  
6 active service; disability cannot constitute cause for  
7 discharge.

8 (a) A disability pension shall not be paid until disability  
9 has been established by the board by examinations of the  
10 firefighter at pension fund expense by 3 physicians selected by  
11 the board and such other evidence as the board deems necessary.  
12 The 3 physicians selected by the board need not agree as to the  
13 existence of any disability or the nature and extent of a  
14 disability. Medical examination of a firefighter receiving a  
15 disability pension shall be made at least once each year prior  
16 to attainment of age 50 in order to verify continuance of  
17 disability. No examination shall be required after age 50. No  
18 physical or mental disability that constitutes, in whole or in  
19 part, the basis of an application for benefits under this  
20 Article may be used, in whole or in part, by any municipality  
21 or fire protection district employing firefighters, emergency  
22 medical technicians, or paramedics as cause for discharge.

23 Upon satisfactory proof to the board that a firefighter on  
24 the disability pension has recovered from disability, the board  
25 shall terminate the disability pension. The firefighter shall

1 report to the marshal or chief of the fire department, who  
2 shall thereupon order immediate reinstatement into active  
3 service, and the municipality shall immediately return the  
4 firefighter to its payroll, in the same rank or grade held at  
5 the date he or she was placed on disability pension. If the  
6 firefighter must file a civil action against the municipality  
7 to enforce his or her mandated return to payroll under this  
8 paragraph, then the firefighter is entitled to recovery of  
9 reasonable court costs and attorney's fees.

10 (b) The firefighter shall be entitled to 10 days notice  
11 before any hearing or meeting of the board at which the  
12 question of his or her disability is to be considered, and  
13 shall have the right to be present at any such hearing or  
14 meeting, and to be represented by counsel; however, the board  
15 shall not have any obligation to provide such fireman with  
16 counsel.

17 (c) It is unlawful for any firefighter to do any of the  
18 following:

19 (1) Intentionally present or cause to be presented any  
20 false or fraudulent claim for disability pension.

21 (2) Intentionally make or cause to be made any false or  
22 fraudulent material statement or material representation  
23 for the purpose of obtaining a disability pension.

24 (3) Intentionally make or cause to be made any false or  
25 fraudulent material statement in the course of an  
26 investigation of fraud.

1           (4) Intentionally assist, abet, solicit, or conspire  
2           with any person or other entity to commit any of the acts  
3           set forth in this Section.

4           For the purposes of paragraphs (2), (3), and (4) of this  
5           subsection (c), the term "statement" includes any writing,  
6           notice, proof of injury, bill for services, hospital or doctor  
7           records and reports, X-ray, or test results.

8           Any firefighter violating this subsection (c) is guilty of  
9           a Class 4 felony. Any firefighter convicted of any violation of  
10           this Section shall be ordered to pay complete restitution to  
11           any entity so defrauded in addition to any fine or sentence  
12           imposed as a result of the conviction.

13           Any person convicted of fraud related to a disability  
14           pension pursuant to this subsection (c) shall be subject to the  
15           penalties prescribed in the Criminal Code of 1961 and shall be  
16           ineligible to receive or retain any compensation, disability,  
17           or medical benefits as defined in this Act, the Workers'  
18           Compensation Act, the Workers' Occupational Diseases Act, the  
19           Line of Duty Compensation Act, and the Public Safety Employee  
20           Benefits Act if the compensation, disability, or medical  
21           benefits were owed or received as a result of fraud for which  
22           the recipient of the compensation, disability, or medical  
23           benefit was convicted. This subsection (c) applies to acts  
24           occurring on or after the effective date of this amendatory Act  
25           of the 95th General Assembly. Any person convicted of fraud who  
26           knowingly obtains, attempts to obtain, or causes to be obtained

1 any benefits under this Code by the making of a false claim or  
2 who knowingly misrepresents any material fact shall be civilly  
3 liable to the payor of benefits or assignee in an amount equal  
4 to 3 times the value of the benefits wrongfully obtained or  
5 twice the value of the benefits attempted to be obtained, plus  
6 reasonable attorney's fees and expenses incurred by the payor  
7 or assignee who successfully brings a claim under this  
8 subsection (c). This subsection (c) applies to acts occurring  
9 on or after the effective date of this amendatory Act of the  
10 95th General Assembly.

11 (Source: P.A. 95-681, eff. 10-11-07.)

12 (40 ILCS 5/4-123.1) (from Ch. 108 1/2, par. 4-123.1)

13 Sec. 4-123.1. Witnesses. ~~To subpoena witnesses.~~

14 (a) To compel witnesses to attend and testify before it  
15 upon all matters connected with the administration of this  
16 Article, in the manner provided by law for the taking of  
17 testimony before the circuit court. The president, or any  
18 member of the Board, may administer oaths to such witnesses.

19 (b) If not otherwise a party to a hearing involving an  
20 officer or member of the fire department, the employer  
21 municipality shall be permitted to appear as a matter of right.

22 (Source: P.A. 84-1039.)

23 (40 ILCS 5/4-130.1 new)

24 Sec. 4-130.1. Award of benefits. Unless the municipal

1 treasurer is already responsible for calculating the amount of  
2 benefit payments expended from the Fund, no benefit shall be  
3 awarded until the municipality, in a timely manner, reviews and  
4 verifies all benefit calculations. The verification process  
5 shall not exceed a period of 60 days.

6 (40 ILCS 5/4-134.1 new)

7 Sec. 4-134.1. Public notice; publication. At the end of  
8 each fiscal year, the Board shall, at its own expense, publish  
9 within a local newspaper of general circulation in the  
10 municipality a notice that includes the fiscal status of the  
11 pension fund, all amounts dispersed in benefits during the  
12 fiscal year, and the total number of recipients who received or  
13 are in receipt of the benefits. The information provided shall  
14 at a minimum include (1) the assets of the fund along with  
15 their current market value; (2) the amount of unfunded  
16 liability carried by the fund, along with an actuarial  
17 explanation of unfunded liability; (3) the actual investment  
18 return experienced by the fund during the fiscal year; and (4)  
19 the required tax levy actuarially recommended to meet the  
20 financial obligations of the fund.

21 (40 ILCS 5/22-1004 new)

22 Sec. 22-1004. Report on Article 3 and 4 funds. Each odd  
23 numbered year, the Commission on Government Forecasting and  
24 Accountability shall analyze data submitted by the Public

1 Pension Division of the Illinois Department of Financial and  
2 Professional Regulation pertaining to the pension systems  
3 established under Article 3 and Article 4 of this Code. The  
4 Commission shall issue a formal report during such years, the  
5 content of which is, to the extent practicable, to be similar  
6 in nature to that required under Section 22-1003. In addition  
7 to providing aggregate analyses of both systems, the report  
8 shall analyze the fiscal status and provide forecasting  
9 projections for fifteen funds in each system. For purposes of  
10 the analysis, a statewide association representing  
11 municipalities shall submit a list of municipal funds to the  
12 Commission.

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

15 (30 ILCS 805/8.32 new)

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

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

1 INDEX  
2 Statutes amended in order of appearance

3	25 ILCS 55/3	from Ch. 63, par. 42.43
4	35 ILCS 200/18-185	
5	40 ILCS 5/1-110	from Ch. 108 1/2, par. 1-110
6	40 ILCS 5/1-113.5	
7	40 ILCS 5/1-125 new	
8	40 ILCS 5/1A-104	
9	40 ILCS 5/1A-112	
10	40 ILCS 5/3-115	from Ch. 108 1/2, par. 3-115
11	40 ILCS 5/3-136	from Ch. 108 1/2, par. 3-136
12	40 ILCS 5/3-141.1 new	
13	40 ILCS 5/3-143.1 new	
14	40 ILCS 5/4-112	from Ch. 108 1/2, par. 4-112
15	40 ILCS 5/4-123.1	from Ch. 108 1/2, par. 4-123.1
16	40 ILCS 5/4-130.1 new	
17	40 ILCS 5/4-134.1 new	
18	40 ILCS 5/22-1004 new	
19	30 ILCS 805/8.32 new	