



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5774

by Rep. Renée Kosel

SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-110.8
40 ILCS 5/3-110.10
40 ILCS 5/7-139.11
40 ILCS 5/7-139.14 new
30 ILCS 805/8.32 new

Amends the Illinois Pension Code. In the Downstate Police Article, provides that, until January 1, 2009, an active member of the Illinois Municipal Retirement Fund that has less than 8 years of creditable service in a police pension fund under the Article may apply for a transfer of his or her creditable service accumulated in that fund to the Illinois Municipal Retirement Fund. In the Illinois Municipal Retirement Fund Article, provides that, until January 1, 2009, a person who has less than 8 years of creditable service under the IMRF Article who has become an active participant in a police pension fund may apply for a transfer of his or her IMRF creditable service to that police pension fund. Effective immediately.

LRB095 15240 AMC 41222 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 Sections 3-110.8 and 7-139.11, by changing and renumbering
6 Section 3-110.9 as added by Public Act 95-530, and by adding
7 Section 7-139.14 as follows:

8 (40 ILCS 5/3-110.8)

9 Sec. 3-110.8. Transfer to IMRF.

10 (a) Until January 1, 2009 ~~2008~~, any active member of the
11 Illinois Municipal Retirement Fund who has less than 8 years of
12 creditable service in a police pension fund under this Article,
13 may apply for transfer of his or her creditable service
14 accumulated in that fund to the Illinois Municipal Retirement
15 Fund. The creditable service shall be transferred upon payment
16 by the police pension fund to the Illinois Municipal Retirement
17 Fund of an amount equal to:

18 (1) the amounts accumulated to the credit of the
19 applicant on the books of the fund on the date of transfer;
20 and

21 (2) employer contributions in an amount equal to the
22 amount determined under subparagraph (1); and

23 (3) any interest paid by the applicant in order to

1 reinstate service.

2 Participation in this Fund shall terminate on the date of
3 transfer.

4 (b) Until January 1, 2009 ~~2008~~, any active member of the
5 Illinois Municipal Retirement Fund wishing to transfer
6 creditable service under subsection (a) may reinstate all or
7 any portion of his or her service which was terminated by
8 receipt of a refund, by payment to the police pension fund of
9 the amount of the refund with interest thereon at the rate of
10 6% per year, compounded annually, from the date of refund to
11 the date of payment.

12 (Source: P.A. 94-356, eff. 7-29-05; 95-530, eff. 8-28-07.)

13 (40 ILCS 5/3-110.10)

14 Sec. 3-110.10 ~~3-110.9~~. Transfer from Article 7. Until
15 January 1, 2009 ~~2008~~, a person may transfer to a fund
16 established under this Article up to 8 years of creditable
17 service accumulated under Article 7 of this Code upon payment
18 to the fund of an amount to be determined by the board, equal
19 to (i) the difference between the amount of employee and
20 employer contributions transferred to the fund under Section
21 7-139.11 and the amounts that would have been contributed had
22 such contributions been made at the rates applicable to an
23 employee under this Article, plus (ii) interest thereon at the
24 effective rate for each year, compounded annually, from the
25 date of service to the date of payment.

1 (Source: P.A. 95-530, eff. 8-28-07; revised 12-6-07.)

2 (40 ILCS 5/7-139.11)

3 Sec. 7-139.11. Transfer to Article 3 pension fund.

4 (a) Until January 1, 2009 ~~2008~~, a person who has less than
5 8 years of creditable service under this Article and who has
6 become an active participant in a police pension fund
7 established under Article 3 of this Code may apply for transfer
8 to that Article 3 fund of his or her creditable service
9 accumulated under this Article. At the time of the transfer the
10 Fund shall pay to the police pension fund an amount equal to:

11 (1) the amounts accumulated to the credit of the
12 applicant under this Article, including interest; and

13 (2) the municipality credits based on that service,
14 including interest; and

15 (3) any interest paid by the applicant in order to
16 reinstate that service.

17 Participation in this Fund with respect to the transferred
18 credits shall terminate on the date of transfer.

19 (b) An active member of a pension fund established under
20 Article 3 of this Code wishing to transfer creditable service
21 may reinstate all or any portion of his or her creditable
22 service under this Article that was terminated by receipt of a
23 refund, by paying to the Fund the amount of the refund plus
24 interest thereon at the rate of 6% per year, compounded
25 annually, from the date of refund to the date of payment.

1 (Source: P.A. 94-356, eff. 7-29-05; 95-530, eff. 8-28-07.)

2 (40 ILCS 5/7-139.14 new)

3 Sec. 7-139.14. Transfer under Section 3-110.8. Creditable
4 service transferred to this Fund under Section 3-110.8 of this
5 Code is subject to subdivision (a)10 of Section 7-139. If
6 creditable service is transferred under Section 3-110.8 by an
7 active member who is a sheriff's law enforcement employee, the
8 creditable service so transferred shall be deemed service as a
9 sheriff's law enforcement employee for all purposes under this
10 Article. If the transfer occurs during a return to service as a
11 sheriff's law enforcement employee, the member may elect to
12 have the retirement annuity recalculated in lieu of receiving
13 supplemental annuity under Section 7-144.

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.