



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB2362

Introduced 2/14/2008, by Sen. Dan Cronin

SYNOPSIS AS INTRODUCED:

40 ILCS 5/4-108

from Ch. 108 1/2, par. 4-108

30 ILCS 805/8.32 new

Amends the Downstate Firefighter Article of the Illinois Pension Code. Provides that the governing body of a municipality may elect to allow creditable service for up to 24 months of military service served prior to employment by a municipality, but no credible service shall be allowed for such person for any period that can be used in the computation of a pension or any other pay or benefit, other than pay for active duty. Requires contributions to the fund equal to (i) the employee contributions that would have been required had the service been rendered as a member, plus (ii) an amount determined by the fund to be equal to the employer's normal cost of the benefits accrued for that military service, plus (iii) interest. Provides that the changes apply only to participating employees in service on or after the effective date of the amendatory Act. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB095 15085 AMC 41046 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 4-108 as follows:

6 (40 ILCS 5/4-108) (from Ch. 108 1/2, par. 4-108)
7 Sec. 4-108. Creditable service.

8 (a) Creditable service is the time served as a firefighter
9 of a municipality. In computing creditable service, furloughs
10 and leaves of absence without pay exceeding 30 days in any one
11 year shall not be counted, but leaves of absence for illness or
12 accident regardless of length, and periods of disability for
13 which a firefighter received no disability pension payments
14 under this Article, shall be counted.

15 (b) Furloughs and leaves of absence of 30 days or less in
16 any one year may be counted as creditable service, if the
17 firefighter makes the contribution to the fund that would have
18 been required had he or she not been on furlough or leave of
19 absence. To qualify for this creditable service, the
20 firefighter must pay the required contributions to the fund not
21 more than 90 days subsequent to the termination of the furlough
22 or leave of absence, to the extent that the municipality has
23 not made such contribution on his or her behalf.

1 (c) Creditable service includes:

2 (1) Service in the military, naval or air forces of the
3 United States entered upon when the person was an active
4 firefighter, provided that, upon applying for a permanent
5 pension, and in accordance with the rules of the board the
6 firefighter pays into the fund the amount that would have
7 been contributed had he or she been a regular contributor
8 during such period of service, if and to the extent that
9 the municipality which the firefighter served made no such
10 contributions in his or her behalf. The total amount of
11 such creditable service shall not exceed 5 years, except
12 that any firefighter who on July 1, 1973 had more than 5
13 years of such creditable service shall receive the total
14 amount thereof as of that date. The governing body of a
15 municipality may elect to allow creditable service for up
16 to 24 months of military service served prior to employment
17 by a municipality, but no credible service shall be allowed
18 for such person for any period that can be used in the
19 computation of a pension or any other pay or benefit, other
20 than pay for active duty. To receive credit for military
21 service prior to employment as a firefighter, the
22 firefighter must apply in writing within 6 months after the
23 effective date of this amendatory Act of the 95th General
24 Assembly and must make contributions to the fund equal to
25 (i) the employee contributions that would have been
26 required had the service been rendered as a member, plus

1 (ii) an amount determined by the fund to be equal to the
2 employer's normal cost of the benefits accrued for that
3 military service, plus (iii) interest on items (i) and (ii)
4 from the date of first membership in the fund to the date
5 of payment. The changes to this paragraph (1) by this
6 amendatory Act of the 95th General Assembly apply only to
7 participating employees in service on or after its
8 effective date.

9 (2) Service prior to July 1, 1976 by a firefighter
10 initially excluded from participation by reason of age who
11 elected to participate and paid the required contributions
12 for such service.

13 (3) Up to 8 years of service by a firefighter as an
14 officer in a statewide firefighters' association when he is
15 on a leave of absence from a municipality's payroll,
16 provided that (i) the firefighter has at least 10 years of
17 creditable service as an active firefighter, (ii) the
18 firefighter contributes to the fund the amount that he
19 would have contributed had he remained an active member of
20 the fund, and (iii) the employee or statewide firefighter
21 association contributes to the fund an amount equal to the
22 employer's required contribution as determined by the
23 board.

24 (4) Time spent as an on-call fireman for a
25 municipality, calculated at the rate of one year of
26 creditable service for each 5 years of time spent as an

1 on-call fireman, provided that (i) the firefighter has at
2 least 18 years of creditable service as an active
3 firefighter, (ii) the firefighter spent at least 14 years
4 as an on-call firefighter for the municipality, (iii) the
5 firefighter applies for such creditable service within 30
6 days after the effective date of this amendatory Act of
7 1989, (iv) the firefighter contributes to the Fund an
8 amount representing employee contributions for the number
9 of years of creditable service granted under this
10 subdivision (4), based on the salary and contribution rate
11 in effect for the firefighter at the date of entry into the
12 Fund, to be determined by the board, and (v) not more than
13 3 years of creditable service may be granted under this
14 subdivision (4).

15 Except as provided in Section 4-108.5, creditable
16 service shall not include time spent as a volunteer
17 firefighter, whether or not any compensation was received
18 therefor. The change made in this Section by Public Act
19 83-0463 is intended to be a restatement and clarification
20 of existing law, and does not imply that creditable service
21 was previously allowed under this Article for time spent as
22 a volunteer firefighter.

23 (5) Time served between July 1, 1976 and July 1, 1988
24 in the position of protective inspection officer or
25 administrative assistant for fire services, for a
26 municipality with a population under 10,000 that is located

1 in a county with a population over 3,000,000 and that
2 maintains a firefighters' pension fund under this Article,
3 if the position included firefighting duties,
4 notwithstanding that the person may not have held an
5 appointment as a firefighter, provided that application is
6 made to the pension fund within 30 days after the effective
7 date of this amendatory Act of 1991, and the corresponding
8 contributions are paid for the number of years of service
9 granted, based upon the salary and contribution rate in
10 effect for the firefighter at the date of entry into the
11 pension fund, as determined by the Board.

12 (6) Service before becoming a participant by a
13 firefighter initially excluded from participation by
14 reason of age who becomes a participant under the amendment
15 to Section 4-107 made by this amendatory Act of 1993 and
16 pays the required contributions for such service.

17 (7) Up to 3 years of time during which the firefighter
18 receives a disability pension under Section 4-110,
19 4-110.1, or 4-111, provided that (i) the firefighter
20 returns to active service after the disability for a period
21 at least equal to the period for which credit is to be
22 established and (ii) the firefighter makes contributions
23 to the fund based on the rates specified in Section 4-118.1
24 and the salary upon which the disability pension is based.
25 These contributions may be paid at any time prior to the
26 commencement of a retirement pension. The firefighter may,

1 but need not, elect to have the contributions deducted from
2 the disability pension or to pay them in installments on a
3 schedule approved by the board. If not deducted from the
4 disability pension, the contributions shall include
5 interest at the rate of 6% per year, compounded annually,
6 from the date for which service credit is being established
7 to the date of payment. If contributions are paid under
8 this subdivision (c)(7) in excess of those needed to
9 establish the credit, the excess shall be refunded. This
10 subdivision (c)(7) applies to persons receiving a
11 disability pension under Section 4-110, 4-110.1, or 4-111
12 on the effective date of this amendatory Act of the 91st
13 General Assembly, as well as persons who begin to receive
14 such a disability pension after that date.

15 (Source: P.A. 94-856, eff. 6-15-06.)

16 Section 90. The State Mandates Act is amended by adding
17 Section 8.32 as follows:

18 (30 ILCS 805/8.32 new)

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

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.