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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
Section 3-114.1 as follows:

6 (40 ILCS 5/3-114.1) (from Ch. 108 1/2, par. 3-114.1)

Sec. 3-114.1. Disability pension - Line of duty.

8 (a) If a police officer as the result of sickness, accident 9 or injury incurred in or resulting from the performance of an act of duty, is found to be physically or mentally disabled for 10 service in the police department, so as to render necessary his 11 or her suspension or retirement from the police service, the 12 police officer shall be entitled to a disability retirement 13 14 pension equal to the greatest of (1) 65% of the salary attached to the rank on the police force held by the officer at the date 15 of suspension of duty or retirement, (2) the retirement pension 16 17 that the police officer would be eligible to receive if he or she retired (but not including any automatic annual increase in 18 19 that retirement pension), or (3) the pension provided under subsection (d), if applicable. 20

A police officer shall be considered "on duty" while on any assignment approved by the chief of the police department of the municipality he or she serves, whether the assignment is HB2540 Engrossed - 2 - LRB096 07641 AMC 17739 b

1 within or outside the municipality.

2 (b) If a police officer on disability pension dies while 3 still disabled, the disability pension shall continue to be 4 paid to his or her survivors in the sequence provided in 5 Section 3-112.

6 (c) From and after July 1, 1987, any pension payable under 7 this Section shall be at least \$400 per month, without regard 8 to the fact that the disability or death of the police officer 9 occurred prior to that date. If the minimum pension established 10 in Section 3-113.1 is greater than the minimum provided in this 11 Section, the Section 3-113.1 minimum controls.

12 (d) A disabled police officer who (1) is receiving a 13 pension under this Section on the effective date of this 14 amendatory Act of the 96th <del>91st</del> General Assembly, (2) files 15 with the Fund, within 60  $\frac{30}{20}$  days after that effective date and 16 annually thereafter while the pension remains payable, a 17 written application for the benefits of this subsection, including an affidavit stating that the applicant has not 18 19 earned any income from gainful employment during the most recently concluded tax year and a copy of his or her most 20 recent Illinois income tax return, (3) has service credit in 21 22 the Fund for at least 7 years of active duty, and (4) has been 23 receiving the pension under this Section for a period which, when added to the officer's total service credit in the Fund, 24 25 equals at least 20 years, shall be eligible to receive an 26 annual noncompounded increase in his or her pension under this HB2540 Engrossed - 3 - LRB096 07641 AMC 17739 b

1 Section, equal to 3% of the original pension.

The Fund may take appropriate steps to verify the applicant's disability and earnings status, and for this purpose may request from the Department of Revenue a certified copy of the applicant's Illinois income tax return for any year for which a benefit under this Section is payable or has been paid.

8 The annual increase shall accrue on each anniversary of the 9 initial pension payment date, for so long as the pension 10 remains payable to the disabled police officer and the required 11 annual application is made, except that the annual increases 12 under this subsection shall cease if the disabled police 13 officer earns income from gainful employment. Within 60 days after accepting an initial application under this subsection, 14 the Fund shall pay to the disabled police officer, in a lump 15 16 sum without interest, the amounts resulting from the annual 17 increases that have accrued retroactively.

This subsection is not limited to persons in active service 18 on or after its effective date, but it applies only to a 19 20 pension that is payable under this Section to a disabled police officer (rather than a survivor). Upon the death of the 21 22 disabled police officer, the annuity payable under this Section 23 to his or her survivors shall include any annual increases previously received, but no additional increases shall accrue 24 25 under this subsection.

26 (Source: P.A. 91-939, eff. 2-1-01.)

HB2540 Engrossed- 4 -LRB096 07641 AMC 17739 b1Section 99. Effective date. This Act takes effect upon

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2 becoming law.
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