



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1765

by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

40 ILCS 5/8-223.1 new
30 ILCS 805/8.35 new

Amends the Chicago Municipal Article of the Illinois Pension Code. Requires the Municipal Employees', Officers', and Officials' Annuity and Benefit Fund to indemnify and protect the trustees, staff, and consultants of the Fund against all damage claims and suits when damages are sought for negligent or wrongful acts alleged to have been committed in the scope of employment or under the direction of the trustees. Provides that the trustees, staff, and consultants shall not be indemnified for wilful misconduct or gross negligence. Authorizes the board to insure against loss or liability of the trustees, staff, and consultants that may result from these damage claims. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB097 07286 JDS 47395 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 adding
5 Section 8-223.1 as follows:

6 (40 ILCS 5/8-223.1 new)

7 Sec. 8-223.1. Indemnification of trustees, staff, and
8 consultants of the pension fund. The Fund established under
9 this Article shall indemnify and protect the trustees, staff,
10 and consultants against all damage claims and suits, including
11 defense thereof, when damages are sought for negligent or
12 wrongful acts alleged to have been committed in the scope of
13 employment or under the direction of the trustees. However, the
14 trustees, staff, and consultants shall not be indemnified for
15 wilful misconduct or gross negligence. The board is authorized
16 to insure against loss or liability of the trustees, staff, and
17 consultants that may result from these damage claims. This
18 insurance shall be carried in a company that is licensed to
19 write such coverage in this State.

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.35 as follows:

1 (30 ILCS 805/8.35 new)

2 Sec. 8.35. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 97th General Assembly.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.