



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB4691

by Rep. Brandon W. Phelps

SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-101

from Ch. 108 1/2, par. 3-101

30 ILCS 805/8.38 new

Amends the Downstate Firefighter Article of the Illinois Pension Code. Provides that, upon creation of a newly established police pension fund by referendum or census, the following funds shall be transferred from IMRF to the newly created fund within 30 days: (1) the amounts actually contributed by or on behalf of the officer to the Article 7 Fund as municipal police officer employee contributions, plus interest on those amounts at the rate of 6% per year, compounded annually, from the date of contribution to the date of transfer to the Article 3 Fund and (2) an amount representing employer contributions, equal to the total amount determined under subdivision (1), plus interest on those amounts at the rate of 6% per year, compounded annually, from the date of contribution to the date of transfer. Provides that participation in IMRF shall terminate on the date of transfer. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB098 17176 EFG 52264 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 3-101 as follows:

6 (40 ILCS 5/3-101) (from Ch. 108 1/2, par. 3-101)

7 Sec. 3-101. Creation of fund.

8 (a) In each municipality, as defined in Section 3-103, the
9 city council or the board of trustees, as the case may be,
10 shall establish and administer a police pension fund, as
11 prescribed in this Article, for the benefit of its police
12 officers and of their surviving spouses, children, and certain
13 other dependents. The duty of the corporate authorities of a
14 municipality to establish and administer a police pension fund
15 shall be suspended during any period during which the fund is
16 dissolved under Section 3-144.6 of this Code.

17 (b) Upon creation of a newly established fund by referendum
18 under Section 3-145 or census under Section 3-105, the
19 following funds shall be transferred from IMRF to the newly
20 created fund, within 30 days of creation of that fund: (1) the
21 amounts actually contributed by or on behalf of the officer to
22 the Article 7 Fund as municipal police officer employee
23 contributions, plus interest on those amounts at the rate of 6%

1 per year, compounded annually, from the date of contribution to
2 the date of transfer to the Article 3 Fund and (2) an amount
3 representing employer contributions, equal to the total amount
4 determined under subdivision (1), plus interest on those
5 amounts at the rate of 6% per year, compounded annually, from
6 the date of contribution to the date of transfer. Participation
7 in that other pension fund shall terminate on the date of
8 transfer.

9 (Source: P.A. 97-99, eff. 1-1-12.)

10 Section 90. The State Mandates Act is amended by adding
11 Section 8.38 as follows:

12 (30 ILCS 805/8.38 new)

13 Sec. 8.38. Exempt mandate. Notwithstanding Sections 6 and 8
14 of this Act, no reimbursement by the State is required for the
15 implementation of any mandate created by this amendatory Act of
16 the 98th General Assembly.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.