



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5592

by Rep. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-145

from Ch. 108 1/2, par. 7-145

Amends the Illinois Municipal Retirement Fund Article of the Illinois Pension Code. In a provision authorizing the election of a reversionary annuity: (i) deletes the requirement that the election be made at the time retirement annuity begins; and (ii) provides that the election is irrevocable. Effective January 1, 2015.

LRB098 17314 EFG 52408 b

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning in relation to 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 7-145 as follows:

6 (40 ILCS 5/7-145) (from Ch. 108 1/2, par. 7-145)

7 Sec. 7-145. Reversionary annuities.

8 (a) An employee entitled to a retirement annuity may elect
9 to provide a reversionary annuity for a beneficiary if, ~~at the~~
10 ~~time such retirement annuity begins:~~

11 1. Under the provisions of paragraph (a) 1 of Section
12 7-142 he is entitled to an immediate annuity of at least
13 \$10 per month; and

14 2. His accumulated additional and optional credits are
15 sufficient to provide a reversionary annuity, of at least
16 \$10 per month, for the beneficiary.

17 (b) An election shall become effective only:

18 1. If a written notice thereof by the employee is
19 received by the board ~~together with his application for~~
20 ~~retirement annuity;~~ and

21 2. If the amount of the beneficiary's reversionary
22 annuity specified in the notice is not less than \$10 nor
23 more than that which can be provided, at the time of

1 election, by the accumulation of additional and optional
2 credits.

3 (c) The amount of the reversionary annuity shall be that
4 specified in the notice of election.

5 (d) Reversionary annuity shall begin the first day of the
6 month following the month in which the last payment of the
7 employee annuity is payable because of death, provided the
8 beneficiary is alive at such time. If the beneficiary does not
9 survive the annuitant, no reversionary annuity shall be
10 payable, but only the death benefit as provided in Sections
11 7-163 and 7-164.

12 (e) Any election made under this Section shall be
13 irrevocable by the employee.

14 (Source: P.A. 90-448, eff. 8-16-97.)

15 Section 99. Effective date. This Act takes effect January
16 1, 2015.