

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 Sections 9-158, 9-166, and 9-179.2 and by adding Sections  
6 9-108.3 and 9-241 as follows:

7 (40 ILCS 5/9-108.3 new)

8 Sec. 9-108.3. In service.

9 "In service": Any period during which contributions are  
10 being made to the Fund on behalf of an employee.

11 (40 ILCS 5/9-158) (from Ch. 108 1/2, par. 9-158)

12 Sec. 9-158. Proof of disability, duty and ordinary. Proof  
13 of duty or ordinary disability shall be furnished to the board  
14 by at least one licensed and practicing physician appointed by  
15 the board, except that this requirement may be waived by the  
16 board for proof of duty disability if the employee has been  
17 compensated by the county for such disability or specific loss  
18 under the Workers' Compensation Act or Workers' Occupational  
19 Diseases Act. The physician requirement may also be waived by  
20 the board for ordinary disability maternity claims of up to 8  
21 weeks. With respect to duty disability, satisfactory proof must  
22 be provided to the board that the final adjudication of the

1 claim required under subsection (d) of Section 9-159  
2 established that the disability or death resulted from an  
3 injury incurred in the performance of an act or acts of duty.  
4 The board may require other evidence of disability. Each  
5 disabled employee who receives duty or ordinary disability  
6 benefit shall be examined at least once a year by one or more  
7 licensed and practicing physicians appointed by the board. When  
8 the disability ceases, the board shall discontinue payment of  
9 the benefit ~~and the employee shall be returned to active~~  
10 ~~service.~~

11 (Source: P.A. 95-1036, eff. 2-17-09.)

12 (40 ILCS 5/9-166) (from Ch. 108 1/2, par. 9-166)

13 Sec. 9-166. Refunds - When paid to beneficiary, children or  
14 estate. Whenever the total amount accumulated to the account of  
15 a deceased employee from employee contributions for annuity  
16 purposes, and from employee contributions applied to any county  
17 pension fund superseded by this fund, have not been paid to  
18 him, and in the case of a married male employee to the employee  
19 and his widow together, in form of annuity or refund before the  
20 death of the last of such persons, a refund shall be payable as  
21 follows:

22 An amount equal to the excess of such amounts over the  
23 amounts paid on any annuity or annuities or refund, without  
24 interest upon either of such amounts, shall be refunded to a  
25 beneficiary theretofore designated by the employee in writing,

1 signed by him ~~before an officer authorized to administer oaths,~~  
2 and filed with the board before the employee's death.

3 If there is no designated beneficiary or the beneficiary  
4 does not survive the employee, the amount shall be refunded to  
5 the employee's children, in equal parts with the children of a  
6 deceased child taking the share of their parent. If there is no  
7 designated beneficiary or children, the refund shall be paid to  
8 the administrator or executor of the employee's estate.

9 If an administrator or executor of the estate has not been  
10 appointed within 90 days from the date the refund became  
11 payable the refund may be applied in the discretion of the  
12 board toward the payment of the employee's burial expenses. Any  
13 remaining balance shall be paid to the heirs of the employee  
14 according to the law of descent and distribution of this state  
15 but assuming for the purpose of such payment of refund and  
16 determination of heirs that the deceased male employee left no  
17 widow surviving in those cases where a widow eligible for  
18 widow's annuity as his widow survived him and subsequently  
19 died; provided,

20 (a) that if any child or children of the employee are  
21 less than age 18, such part or all of any such amount  
22 necessary to pay annuities to them shall not be refunded as  
23 hereinbefore stated; and provided further,

24 (b) that if a reversionary annuity becomes payable as  
25 provided in Section 9-135 such refund shall not be paid  
26 until the death of the reversionary annuitant, and the

1 refund otherwise payable under this section shall then  
2 first further be reduced by the total amount of the  
3 reversionary annuity paid.

4 (Source: P.A. 95-369, eff. 8-23-07.)

5 (40 ILCS 5/9-179.2) (from Ch. 108 1/2, par. 9-179.2)

6 Sec. 9-179.2. Other governmental service-Former County  
7 Service. Any employee who first becomes a contributor before  
8 the effective date of this amendatory Act of the 99th General  
9 Assembly, who has rendered service to any "governmental unit"  
10 as such term is defined in the "Retirement Systems Reciprocal  
11 Act" under Article 20 of the Illinois Pension Code, who did not  
12 contribute to the retirement system of such "governmental  
13 unit", including the retirement system created by this Article  
14 9 of the Illinois Pension code, for such service because of  
15 ineligibility for participation and has no equity or rights in  
16 such retirement system because of such service shall be given  
17 credit for such service in this fund, provided:

18 (a) The employee shall pay to this fund, while in the  
19 service of such county, or while in the service of a  
20 governmental unit whose retirement system has adopted the  
21 "Retirement Systems Reciprocal Act", such amounts, including  
22 interest at the effective rate, as he would have paid to this  
23 fund, on the basis of his salary in effect during the service  
24 rendered to such other "governmental unit" at the rates  
25 prescribed in this Article 9 for the periods of such service to

1 the end that such service shall be considered as service  
2 rendered to such county, with all the rights and conditions  
3 attaching to such service and payments; and (b) this Section  
4 shall not be applicable to any period of such service for which  
5 the employee retains credit in any other public annuity and  
6 benefit fund established by Act of the Legislature of this  
7 State and in operation for employees of such other  
8 "governmental unit" from which such employee was transferred.

9 (Source: P.A. 90-655, eff. 7-30-98.)

10 (40 ILCS 5/9-241 new)

11 Sec. 9-241. Mistake in benefit. If the Fund mistakenly sets  
12 any benefit at an incorrect amount, it shall recalculate the  
13 benefit as soon as may be practicable after the mistake is  
14 discovered.

15 If the benefit was mistakenly set too low, the Fund shall  
16 make a lump sum payment to the recipient of an amount equal to  
17 the difference between the benefits that should have been paid  
18 and those actually paid, without interest.

19 If the benefit was mistakenly set too high, the Fund may  
20 recover the amount overpaid from the recipient thereof, either  
21 directly or by deducting such amount from the remaining  
22 benefits payable to the recipient, without interest. If the  
23 overpayment is recovered by deductions from the remaining  
24 benefits payable to the recipient, the monthly deduction shall  
25 not exceed 10% of the corrected monthly benefit unless

1 otherwise indicated by the recipient. However, if (1) the  
2 amount of the benefit was mistakenly set too high, and (2) the  
3 error was undiscovered for 3 years or longer, and (3) the error  
4 was not the result of incorrect information supplied by the  
5 employer, the affected participant, or any beneficiary, then  
6 upon discovery of the mistake the benefit shall be adjusted to  
7 the correct level, but the recipient of the benefit need not  
8 repay to the Fund the excess amounts received in error.

9 This Section applies to all mistakes in benefit  
10 calculations that occur before, on, or after the effective date  
11 of this amendatory Act of the 99th General Assembly.

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law.