

AN ACT concerning public employee benefits.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Pension Code is amended by changing Section 5-174 as follows:

(40 ILCS 5/5-174) (from Ch. 108 1/2, par. 5-174)

Sec. 5-174. Contributions in case of certain employments in police department.

(a) Whenever a policeman is assigned to a position in the police department other than the position he holds by certification and appointment as a result of competitive civil service examination, there shall be deducted from his salary the amount which would have been deducted had he continued in his civil service position. If such deductions are not made, the policeman may pay such amount direct to the fund and shall be credited with the corresponding city contributions, to the end that he may retain all rights he otherwise would have had were his employment continuous in his civil service position; provided, that any such amount not so deducted from his salary nor paid by him shall be deducted from the earliest possible and practicable payment of salary due and payable to him, or from any annuity, benefit or refund payable to him or on his account. The policeman shall receive credit for such employment as service for all purposes of this Article.

(b) From and after January 1, 1970, in lieu of the provisions of the preceding paragraph (a) of this Section, any policeman serving in a non-civil service position in the police department shall have salary deductions made for age and service annuity and widow's annuity on salary as defined in Section 5-114 (e).

Any active policeman serving in a non-civil service position on the effective date of this amendatory Act may

elect, prior to January 1, 1970, to contribute directly to the fund for age and service and widow's annuity on salary received in excess of that provided for in his civil service rank for police service rendered in a non-civil service position prior to the operative date of his election. Such election shall be exercised prior to January 1, 1974, by a policeman in service on such effective date or within 6 months prior to such date. Any policeman in service not serving in a non-civil service position on the effective date of this amendatory Act who is subsequently assigned and serving in a non-civil service position may make like election within 6 months after such assignment. Contributions for such past service shall include interest at the applicable rate to the end that the contributions shall equal the amount that would have been credited to the policeman had deductions been made from such excess salary for such service. For such contributions the policeman shall be credited with the corresponding city contributions with interest for all annuity purposes at the rates in effect at the time the service was rendered.

Contributions for past service, if elected, shall be made for the entire period of service and for the total amount of the excess salary and no credit shall be granted or payment permitted for any part of such service or excess salary. Payment of contributions on such past service shall be completed within 3 years of the date of election and in any event before death or retirement. If not paid in full within such period, or before death, no credit shall be granted thereon, and the sums so paid, with interest at the rate of 1 1/2% per year, compounded annually, shall be refunded to the policeman, or his surviving widow or children, or if there are no such survivors, then in accordance with Section 5-167, provided, however, that if the repayment has not been made in full before death, his widow shall have the option of completing such payment within 60 days from the date of his death.

A policeman assigned to a non-civil service position within

3 years of the date of his reaching compulsory retirement age or within 3 years of retirement at his own option, whichever is earlier, shall not qualify for the benefits authorized herein. The limitation contained in this paragraph shall not apply to a policeman assigned to a non-civil service position whose retirement from active service is caused by duty disability. Beginning January 1, 2000, the limitation contained in this paragraph shall not apply to a policeman assigned to a non-civil service position with the title of Captain. A policeman who has made contributions as provided by this Section ~~section~~ but who fails to qualify for the benefits due to the limitation of this paragraph is entitled to refund of said contributions, upon application therefor, according to the provisions of Section 5-163 (f).

In no event shall the provisions of this or any other Section ~~section~~ of this Article, allowing payment for or granting credit on salary received in excess of that provided for his civil service rank or position be applicable in the case of any former policeman who is receiving annuity from this fund who subsequently re-enters service as a policeman.

(Source: P.A. 81-1536.)

Section 90. The State Mandates Act is amended by adding Section 8.29 as follows:

(30 ILCS 805/8.29 new)

Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 94th General Assembly.

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