

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 adding Section 3-110.11 and 5-237.5 as follows:

(40 ILCS 5/3-110.11 new)

Sec. 3-110.11. Transfer of creditable service from Article 5 fund. For a period of 60 days after the effective date of this Section, a person may transfer to a fund established under this Article up to 10 years of creditable service accumulated under Article 5 of this Code upon payment to the fund of an amount to be determined by the board, equal to (i) the difference between the amount of employee and employer contributions transferred to the fund under Section 5-237.5 and the amounts that would have been contributed had such contributions been made at the rates applicable to an employee under this Article, plus (ii) interest thereon at the actuarially assumed rate, compounded annually, from the date of service to the date of payment.

(40 ILCS 5/5-237.5 new)

Sec. 5-237.5. Transfer of creditable service to Article 3 fund.

(a) Any person who is an active participant in a pension fund established under Article 3 of this Code may, for a period of 60 days after the effective date of this Section, apply for transfer of his or her credits and creditable service accumulated in this Fund to that Article 3 fund. Upon receipt of a written application to make this transfer, the Fund shall pay to the Article 3 fund an amount consisting of:

(1) the amounts credited to the applicant through employee contributions, plus accumulated interest; plus

(2) an amount representing municipality contributions, equal to the amount determined under item (1); plus

(3) any interest paid to the Fund in order to reinstate credits and creditable service under subsection (b).

Participation in this Fund shall terminate on the date of the transfer.

(b) As part of a transfer under subsection (a), a person may reinstate credits and creditable service that was terminated upon receipt of a refund, by paying to the Fund the amount of the refund plus interest thereon at the actuarially assumed rate, compounded annually, from the date of the refund to the date of payment.

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

(30 ILCS 805/8.35 new)

Public Act 097-0326

HB1872 Enrolled

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Sec. 8.35. 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 97th General Assembly.

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