



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB3729

by Rep. Martin J. Moylan

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-137

from Ch. 108 1/2, par. 7-137

40 ILCS 5/7-137.3 new

Amends the Illinois Municipal Retirement Fund (IMRF) Article of the Illinois Pension Code. Provides that a person who is an elected municipal official shall not be considered a participating employee, unless (1) the person has elected to become a participating employee; (2) the governing body has filed a resolution certifying that a person in that position is expected to work more than 600 hours (or 1,000 hours if the participating municipality has adopted a specified resolution); and (3) the person has submitted logs evidencing that he or she has met the hourly standard. Requires the resolution to be adopted and filed with the Fund no more than 90 days after the general election in which any municipal official was elected. Provides that with respect to a participant who holds elected municipal office on the effective date, the resolution requirement does not affect participation by that elected municipal official with respect to that term of office until 90 days after the effective date. Contains provisions specifying the manner of documenting and submitting the time spent on official government business. Provides that an elected municipal official who fails to submit time sheets or fails to conduct official government business for either 600 or 1,000 hours (whichever is applicable) with respect to that position shall not be permitted to continue participation in the Fund as an elected municipal official. Effective immediately.

LRB100 05344 RPS 15355 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

A BILL FOR

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 7-137 and by adding Section 7-137.3 as follows:

6 (40 ILCS 5/7-137) (from Ch. 108 1/2, par. 7-137)

7 Sec. 7-137. Participating and covered employees.

8 (a) The persons described in this paragraph (a) shall be  
9 included within and be subject to this Article and eligible to  
10 benefits from this fund, beginning upon the dates hereinafter  
11 specified:

12 1. Except as to the employees specifically excluded  
13 under the provisions of this Article, all persons who are  
14 employees of any municipality (or instrumentality thereof)  
15 or participating instrumentality on the effective date of  
16 participation of the municipality or participating  
17 instrumentality beginning upon such effective date.

18 2. Except as to the employees specifically excluded  
19 under the provisions of this Article, all persons, who  
20 became employees of any participating municipality (or  
21 instrumentality thereof) or participating instrumentality  
22 after the effective date of participation of such  
23 municipality or participating instrumentality, beginning

1           upon the date such person becomes an employee.

2           3. All persons who file notice with the board as  
3           provided in paragraph (b) 2 and 3 of this Section,  
4           beginning upon the date of filing such notice.

5           (b) The following described persons shall not be considered  
6           participating employees eligible for benefits from this fund,  
7           but shall be included within and be subject to this Article  
8           (each of the descriptions is not exclusive but is cumulative):

9           1. Any person who occupies an office or is employed in  
10           a position normally requiring performance of duty during  
11           less than 600 hours a year for a municipality (including  
12           all instrumentalities thereof) or a participating  
13           instrumentality. If a school treasurer performs services  
14           for more than one school district, the total number of  
15           hours of service normally required for the several school  
16           districts shall be considered to determine whether he  
17           qualifies under this paragraph;

18           2. Except as provided in items 2.5, ~~and 2.6,~~ and 2.7,  
19           any person who holds elective office unless he has elected  
20           while in that office in a written notice on file with the  
21           board to become a participating employee;

22           2.5. Except as provided in item 2.6, any person who  
23           holds elective office as a member of a county board,  
24           unless:

25                   (i) the person was first elected as a member of a  
26           county board before the effective date of this

1           amendatory Act of the 99th General Assembly;

2           (ii) the person has elected while in that office,  
3           in a written notice on file with the board, to become a  
4           participating employee;

5           (iii) the county board has filed the resolution  
6           required by subsection (a) of Section 7-137.2 of this  
7           Article; and

8           (iv) the person has submitted the required time  
9           sheets evidencing that the person has met the hourly  
10          standard as required by subsection (b) of Section  
11          7-137.2 of this Article;

12          2.6. Any person who is an elected member of a county  
13          board and is first so elected on or after the effective  
14          date of this amendatory Act of the 99th General Assembly;

15          2.7. Any person who is an elected official of a  
16          participating municipality, unless:

17                 (i) the person has elected while in that office, in  
18                 a written notice on file with the board, to become a  
19                 participating employee;

20                 (ii) the participating municipality has filed the  
21                 resolution required by subsection (a) of Section 7-137.3;  
22                 and

23                 (iii) the person has submitted the required time  
24                 sheets evidencing that the person has met the hourly  
25                 standard as required by subsection (b) of Section  
26                 7-137.3;

1           3. Any person working for a city hospital unless any  
2 such person, while in active employment, has elected in a  
3 written notice on file with the board to become a  
4 participating employee and notification thereof is  
5 received by the board;

6           4. Any person who becomes an employee after June 30,  
7 1979 as a public service employment program participant  
8 under the federal Comprehensive Employment and Training  
9 Act and whose wages or fringe benefits are paid in whole or  
10 in part by funds provided under such Act;

11           5. Any person who is actively employed by a  
12 municipality on its effective date of participation in the  
13 Fund if that municipality (i) has at least 35 employees on  
14 its effective date of participation; (ii) is located in a  
15 county with at least 2,000,000 inhabitants; and (iii)  
16 maintains an independent defined benefit pension plan for  
17 the benefit of its eligible employees, unless the person  
18 files with the board within 90 days after the  
19 municipality's effective date of participation an  
20 irrevocable election to participate.

21           (c) Any person electing to be a participating employee,  
22 pursuant to paragraph (b) of this Section may not change such  
23 election, except as provided in Section 7-137.1.

24           (d) Any employee who occupied the position of school nurse  
25 in any participating municipality on August 8, 1961 and  
26 continuously thereafter until the effective date of the

1 exercise of the option authorized by this subparagraph, who on  
2 August 7, 1961 was a member of the Teachers' Retirement System  
3 of Illinois, by virtue of certification by the Department of  
4 Registration and Education as a public health nurse, may elect  
5 to terminate participation in this Fund in order to  
6 re-establish membership in such System. The election may be  
7 exercised by filing written notice thereof with the Board or  
8 with the Board of Trustees of said Teachers' Retirement System,  
9 not later than September 30, 1963, and shall be effective on  
10 the first day of the calendar month next following the month in  
11 which the notice was filed. If the written notice is filed with  
12 such Teachers' Retirement System, that System shall  
13 immediately notify this Fund, but neither failure nor delay in  
14 notification shall affect the validity of the employee's  
15 election. If the option is exercised, the Fund shall notify  
16 such Teachers' Retirement System of such fact and transfer to  
17 that system the amounts contributed by the employee to this  
18 Fund, including interest at 3% per annum, but excluding  
19 contributions applicable to social security coverage during  
20 the period beginning August 8, 1961 to the effective date of  
21 the employee's election. Participation in this Fund as to any  
22 credits on or after August 8, 1961 and up to the effective date  
23 of the employee's election shall terminate on such effective  
24 date.

25 (e) Any participating municipality or participating  
26 instrumentality, other than a school district or special

1 education joint agreement created under Section 10-22.31 of the  
2 School Code, may, by a resolution or ordinance duly adopted by  
3 its governing body, elect to exclude from participation and  
4 eligibility for benefits all persons who are employed after the  
5 effective date of such resolution or ordinance and who occupy  
6 an office or are employed in a position normally requiring  
7 performance of duty for less than 1000 hours per year for the  
8 participating municipality (including all instrumentalities  
9 thereof) or participating instrumentality except for persons  
10 employed in a position normally requiring performance of duty  
11 for 600 hours or more per year (i) by such participating  
12 municipality or participating instrumentality prior to the  
13 effective date of the resolution or ordinance and (ii) by a  
14 participating municipality or participating instrumentality,  
15 which had not adopted such a resolution when the person was  
16 employed, and the function served by the employee's position is  
17 assumed by another participating municipality or participating  
18 instrumentality. Notwithstanding the foregoing, a  
19 participating municipality or participating instrumentality  
20 which is formed solely to succeed to the functions of a  
21 participating municipality or participating instrumentality  
22 shall be considered to have adopted any such resolution or  
23 ordinance which may have been applicable to the employees  
24 performing such functions. The election made by the resolution  
25 or ordinance shall take effect at the time specified in the  
26 resolution or ordinance, and once effective shall be

1 irrevocable.

2 (Source: P.A. 99-900, eff. 8-26-16.)

3 (40 ILCS 5/7-137.3 new)

4 Sec. 7-137.3. Participation by elected municipal  
5 officials.

6 (a) An elected municipal official is not eligible to  
7 participate in the Fund with respect to that position unless  
8 the participating municipality has adopted a resolution, after  
9 public debate and in a form acceptable to the Fund, certifying  
10 that persons in that position are expected to work at least 600  
11 hours annually (or 1000 hours annually in a participating  
12 municipality that has adopted a resolution pursuant to  
13 subsection (e) of Section 7-137 of this Code). The resolution  
14 must be adopted and filed with the Fund no more than 90 days  
15 after each general election in which any municipal official is  
16 elected.

17 (b) An elected municipal official that participates in the  
18 Fund with respect to that position shall monthly submit, to the  
19 fiscal officer of the participating municipality, time sheets  
20 documenting the time spent on official government business as  
21 an elected municipal official. The time sheets shall be (1)  
22 submitted on paper or electronically, or both, and (2)  
23 maintained by the participating municipality for 5 years. An  
24 elected municipal official who fails to submit time sheets or  
25 fails to conduct official government business with respect to



1 that position for either 600 hours or 1000 hours (whichever is  
2 applicable) annually shall not be permitted to continue  
3 participation in the Fund as an elected municipal official. The  
4 Fund may request that the participating municipality certify  
5 that an elected municipal official is permitted to continue  
6 participation with respect to that position.

7 With respect to a participant who holds elected municipal  
8 office on the effective date of this amendatory Act of the  
9 100th General Assembly, the changes made to this subsection (b)  
10 by this amendatory Act of the 100th General Assembly do not  
11 affect participation by that elected municipal official with  
12 respect to that term of office until 90 days after the  
13 effective date of this amendatory Act.

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