



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

SB2578

Introduced 2/7/2018, by Sen. John G. Mulroe

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/9-228

from Ch. 108 1/2, par. 9-228

Amends the Cook County Article of the Illinois Pension Code. Provides that if a person certified by a medical doctor to be under legal disability (i) has no spouse, blood relative, or other person providing or caring for him or her, (ii) has no guardian of his or her estate, and (iii) is confined to a Medicare approved, State certified nursing home or to a publicly owned and operated nursing home, hospital, or mental institution, the Board may pay any benefit due that person to the nursing home, hospital, or mental institution, to be used for the sole benefit of the person under legal disability. Provides that the payment to a person, nursing home, hospital, or mental institution for the benefit of a minor or person under legal disability shall be an absolute discharge of the Fund's liability with respect to the amount so paid. Requires any person, nursing home, hospital, or mental institution accepting that payment to notify the Fund of the death or any other relevant change in the status of the minor or person under legal disability. Effective immediately.

LRB100 18395 MJP 33606 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 9-228 as follows:

6 (40 ILCS 5/9-228) (from Ch. 108 1/2, par. 9-228)

7 Sec. 9-228. Attachment; withholding.

8 (a) The annuities, pensions, refunds, and disability  
9 benefits granted under this Article shall be exempt from  
10 attachment or garnishment process and shall not be seized,  
11 taken, subjected to, detained, or levied upon by virtue of any  
12 judgment, or any process or proceeding whatsoever issued out of  
13 or by any court in this State, for the payment and satisfaction  
14 in whole or in part of any debt, damage, claim, demand, or  
15 judgment against any annuitant, pensioner, person entitled to a  
16 refund, or other beneficiary hereunder.

17 (b) No annuitant, pensioner, person entitled to a refund,  
18 or other beneficiary shall have any right to transfer or assign  
19 his annuity or disability benefit or any part thereof by way of  
20 mortgage or otherwise except that an annuitant or a widow  
21 annuitant who elects to participate in any group  
22 hospitalization plan or group medical surgical plan shall have  
23 the right to authorize the Board to deduct the cost to him of

1 such plan from the annuity check and to pay such deducted  
2 amount to the group insurance carrier, provided, however, that  
3 the Board in its discretion may terminate such right; provided,  
4 that the board in its discretion may pay to the wife of any  
5 annuitant, pensioner, refund applicant, or disability  
6 beneficiary such an amount out of her husband's annuity,  
7 pension, refund, or disability benefit as any court may order,  
8 or such an amount as the board may consider necessary for the  
9 support of his wife or children or both in the event of his  
10 disappearance or unexplained absence or his failure to support  
11 such wife or children.

12 (c) The board may retain out of any future annuity,  
13 pension, refund or disability benefit payments, such amount, or  
14 amounts, as it may require for the repayment of any moneys paid  
15 to any annuitant, pensioner, refund applicant, or disability  
16 beneficiary through misrepresentation, fraud or error. Any  
17 such action of the board shall relieve and release the board  
18 and the fund from any liability for any moneys so withheld.

19 (d) Whenever an annuity, pension, refund, or disability  
20 benefit is payable to a minor or to a person adjudged to be  
21 under legal disability, the board, in its discretion and when  
22 to the best interest of the person concerned, may waive  
23 guardianship proceedings and pay the annuity, pension, refund  
24 or benefit to the person providing or caring for the minor and  
25 to the wife, parent or blood relative providing or caring for  
26 the person.

1       In the event that a person certified by a medical doctor to  
2 be under legal disability (i) has no spouse, blood relative, or  
3 other person providing or caring for him or her, (ii) has no  
4 guardian of his or her estate, and (iii) is confined to a  
5 Medicare approved, State certified nursing home or to a  
6 publicly owned and operated nursing home, hospital, or mental  
7 institution, the Board may pay any benefit due that person to  
8 the nursing home, hospital, or mental institution, to be used  
9 for the sole benefit of the person under legal disability.

10       Payment in accordance with this subsection to a person,  
11 nursing home, hospital, or mental institution for the benefit  
12 of a minor or person under legal disability shall be an  
13 absolute discharge of the Fund's liability with respect to the  
14 amount so paid. Any person, nursing home, hospital, or mental  
15 institution accepting payment under this subsection shall  
16 notify the Fund of the death or any other relevant change in  
17 the status of the minor or person under legal disability.

18       (e) An annuitant may authorize the withholding of a portion  
19 of his annuity for payment of dues to any labor organization  
20 designated by the annuitant; however, no portion of annuities  
21 may be withheld pursuant to this subsection for payment to any  
22 one labor organization unless a minimum of 100 annuitants  
23 authorize such withholding, except that the Board may allow  
24 such withholding for less than 100 annuitants during a  
25 probationary period of between 3 and 6 months, as determined by  
26 the Board. The Board shall prescribe a form for the

1 authorization of such withholding, and shall provide such forms  
2 to employees, annuitants and labor organizations upon request.  
3 Amounts withheld by the Board under this subsection shall be  
4 promptly paid over to the designated organizations.

5 Any such labor organization shall have access to the Fund's  
6 mailing list of annuitants, upon such terms as the Board may  
7 approve. The expenses of any mailing conducted by the labor  
8 organization shall be borne by the labor organization.

9 (Source: P.A. 87-793.)

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