



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB3519

by Rep. Mark Batinick

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-103	from Ch. 108 1/2, par. 3-103
40 ILCS 5/3-145	from Ch. 108 1/2, par. 3-145
40 ILCS 5/4-103	from Ch. 108 1/2, par. 4-103
40 ILCS 5/4-141	from Ch. 108 1/2, par. 4-141

Amends the Downstate Police and Downstate Firefighter Articles of the Illinois Pension Code. In the definition of "municipality", removes a provision requiring the establishment of a police or firefighter pension fund for any city, village, or incorporated town of 5,000 or more inhabitants. Makes conforming changes. Effective immediately.

LRB101 10877 RPS 56020 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

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 3-103, 3-145, 4-103, and 4-141 as follows:

6 (40 ILCS 5/3-103) (from Ch. 108 1/2, par. 3-103)

7 Sec. 3-103. Municipality. "Municipality": (1) Any city,  
8 village or incorporated town of 5,000 or more but less than  
9 500,000 inhabitants, as determined from the United States  
10 Government statistics or a census taken at any time by the  
11 city, village or incorporated town that established a fund  
12 under this Article before the effective date of this amendatory  
13 Act of the 101st General Assembly and (2) any city, village or  
14 incorporated town of less than 500,000 ~~5,000~~ inhabitants which,  
15 by referendum held under Section 3-145 adopts this Article.

16 (Source: P.A. 83-1440.)

17 (40 ILCS 5/3-145) (from Ch. 108 1/2, par. 3-145)

18 Sec. 3-145. Referendum in municipalities ~~less than 5,000~~.

19 (a) This Article shall not be effective in any municipality  
20 ~~having a population of less than 5,000~~ unless the proposition  
21 to adopt the Article is submitted to and approved by the voters  
22 of the municipality in the manner herein provided.

1           Whenever the electors of the municipality, equal in number  
2 to 5% of the number of legal votes cast at the last preceding  
3 general municipal election, petition the city, village or town  
4 clerk to submit the proposition whether that municipality shall  
5 adopt this Article, the officer to whom the petition is  
6 addressed shall certify the proposition to the proper election  
7 officials who shall submit the proposition in accordance with  
8 the general election law at a regular election in the  
9 municipality provided that notice of the referendum, if held  
10 before July 1, 1999, has been given in accordance with the  
11 provisions of Section 12-5 of the Election Code in effect at  
12 the time of the bond referendum, at least 10 and not more than  
13 45 days before the date of the election, notwithstanding the  
14 time for publication otherwise imposed by Section 12-5. Notices  
15 required in connection with the submission of public questions  
16 on or after July 1, 1999 shall be as set forth in Section 12-5  
17 of the Election Code. If the proposition is not adopted at that  
18 election, it may be submitted in like manner at any regular  
19 election thereafter. The proposition shall be substantially in  
20 the following form:

21 -----

<p>22           Shall the city (or village or  23 incorporated town) of.... adopt  24 Article 3 of the "Illinois Pension  25 Code", pertaining to the creation  26 of a police pension fund?</p>	<p>YES  -----  NO</p>
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1 -----  
2 If a majority of the votes cast on the proposition is for the  
3 proposition, this Article is adopted in that municipality.

4 (b) For a period of 60 days after the effective date of  
5 this amendatory Act of the 96th General Assembly, if a  
6 municipality having a population of less than 5,000 has adopted  
7 this Article in accordance with the provisions of subsection  
8 (a), the municipality may elect to terminate participation  
9 under this Article if all of the following conditions are met:

10 (1) An independent auditor certifies that the fund  
11 created under this Article has no liabilities and there are  
12 no members or participants in the fund and no beneficiaries  
13 entitled to benefits under the fund.

14 (2) The corporate authorities of the municipality, by  
15 ordinance, approve the closing of the fund.

16 If the conditions of this subsection (b) are met and the  
17 closed fund contains assets, those assets shall be transferred  
18 to the municipality for its general corporate purposes.

19 If a municipality that terminates participation under this  
20 Article in accordance with this subsection (b) wants to  
21 reinstate the fund, then the proposition to re-adopt the  
22 Article must be submitted to and approved by the voters of the  
23 municipality in the manner provided in subsection (a).

24 (Source: P.A. 96-216, eff. 8-10-09.)

25 (40 ILCS 5/4-103) (from Ch. 108 1/2, par. 4-103)

1           Sec. 4-103. Municipality. "Municipality": (1) Any city,  
2 township, village or incorporated town of 5,000 or more but  
3 less than 500,000 inhabitants that established a fund under  
4 this Article before the effective date of this amendatory Act  
5 of the 101st General Assembly, and any fire protection district  
6 having any full-time paid firefighters, and (2) any city,  
7 village, incorporated town or township of less than 500,000  
8 ~~5,000~~ inhabitants having a full-time paid fire department which  
9 adopts the provisions of this article pursuant to the  
10 provisions of Section 4-141. The term "city council" or "board  
11 of trustees" includes the board of trustees of a fire  
12 protection district and the board of town trustees or other  
13 persons empowered to draft the tentative budget and  
14 appropriation ordinance and the electors of such a township  
15 acting at the annual or special meeting of town electors.

16           (Source: P.A. 83-1440.)

17           (40 ILCS 5/4-141) (from Ch. 108 1/2, par. 4-141)

18           Sec. 4-141. Referendum in municipalities ~~less than 5,000~~.  
19 This Article shall become effective in any municipality ~~of less~~  
20 ~~than 5,000, population~~ if the proposition to adopt the Article  
21 is submitted to and approved by the voters of the municipality  
22 in the manner herein provided.

23           Whenever the electors of the municipality equal in number  
24 to 5% of the number of legal votes cast at the last preceding  
25 general municipal election for mayor or president, as the case

1 may be, petition the corporate authorities of the municipality  
 2 to submit the proposition whether that municipality shall adopt  
 3 this Article, the municipal clerk shall certify the proposition  
 4 to the proper election official who shall submit it to the  
 5 electors in accordance with the general election law at the  
 6 next succeeding regular election in the municipality. If the  
 7 proposition is not adopted at that election, it may be  
 8 submitted in like manner at any regular election thereafter.

9 The proposition shall be substantially in the following  
 10 form:

11 -----  
 12 Shall the city (or village or  
 13 incorporated town as the case may be) YES  
 14 of.... adopt Article 4 of the  
 15 "Illinois Pension Code", -----  
 16 providing for a Firefighters' NO  
 17 Pension Fund and the levying  
 18 of an annual tax therefor?

19 -----  
 20 If a majority of the votes cast on the proposition is for  
 21 the proposition, this Article is adopted in that municipality.  
 22 (Source: P.A. 83-1440.)

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