



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4568

Introduced 01/11/06, by Rep. Robert S. Molaro

SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-145.1
30 ILCS 805/8.30 new

Amends the Illinois Municipal Retirement Fund Article of the Illinois Pension Code. Provides that the alternative annuity that is available to certain county officers is available to members of a board of commissioners of a forest preserve district who are elected to serve on a forest preserve district that is located in a county having a population of more than 800,000 but fewer than 3,000,000 inhabitants. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 15438 AMC 50633 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT in relation to 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 7-145.1 as follows:

6 (40 ILCS 5/7-145.1)

7 Sec. 7-145.1. Alternative annuity for county officers.

8 (a) The benefits provided in this Section and Section
9 7-145.2 are available to elected county officers other than
10 members of a board of commissioners of a forest preserve
11 district who are elected pursuant to Section 3c of the
12 Downstate Forest Preserve District Act only if the county board
13 has filed with the Board of the Fund a resolution or ordinance
14 expressly consenting to the availability of these benefits for
15 its elected county officers. The benefits provided in this
16 Section and Section 7-145.2 are available to members of a board
17 of commissioners of a forest preserve district who are elected
18 pursuant to Section 3c of the Downstate Forest Preserve
19 District Act only if that board of commissioners has filed with
20 the Board of the Fund a resolution or ordinance expressly
21 consenting to the availability of these benefits for its
22 elected county officers. The county board's or board of
23 commissioners of a forest preserve district's consent is
24 irrevocable with respect to persons participating in the
25 program, but may be revoked at any time with respect to persons
26 who have not paid an additional optional contribution under
27 this Section before the date of revocation.

28 An elected county officer may elect to establish
29 alternative credits for an alternative annuity by electing in
30 writing to make additional optional contributions in
31 accordance with this Section and procedures established by the
32 board. These alternative credits are available only for periods

1 of service as an elected county officer. The elected county
2 officer may discontinue making the additional optional
3 contributions by notifying the Fund in writing in accordance
4 with this Section and procedures established by the board.

5 Additional optional contributions for the alternative
6 annuity shall be as follows:

7 (1) For service as an elected county officer after the
8 option is elected, an additional contribution of 3% of
9 salary shall be contributed to the Fund on the same basis
10 and under the same conditions as contributions required
11 under Section 7-173.

12 (2) For service as an elected county officer before the
13 option is elected, an additional contribution of 3% of the
14 salary for the applicable period of service, plus interest
15 at the effective rate from the date of service to the date
16 of payment, plus any additional amount required by the
17 county board under paragraph (3) in the case of elected
18 county officers other than members of a forest preserve
19 district who are elected pursuant to Section 3c of the
20 Downstate Forest Preserve District Act or by the board of
21 forest preserve commissioners in the case of elected county
22 officers who are members of a forest preserve district who
23 are elected pursuant to Section 3c of the Downstate Forest
24 Preserve District Act. All payments for past service must
25 be paid in full before credit is given.

26 (3) With respect to service as an elected county
27 officer before the option is elected, if payment is made
28 after the county board or board of forest preserve
29 commissioners has filed with the Board of the Fund a
30 resolution or ordinance requiring an additional
31 contribution under this paragraph, then the contribution
32 required under paragraph (2) shall include an amount to be
33 determined by the Fund, equal to the actuarial present
34 value of the additional employer cost that would otherwise
35 result from the alternative credits being established for
36 that service. A county board's or board of forest preserve

1 commissioner's resolution or ordinance requiring
2 additional contributions under this paragraph (3) is
3 irrevocable.

4 No additional optional contributions may be made for any
5 period of service for which credit has been previously
6 forfeited by acceptance of a refund, unless the refund is
7 repaid in full with interest at the effective rate from the
8 date of refund to the date of repayment.

9 (b) In lieu of the retirement annuity otherwise payable
10 under this Article, an elected county officer who (1) has
11 elected to participate in the Fund and make additional optional
12 contributions in accordance with this Section, (2) has held and
13 made additional optional contributions with respect to the same
14 elected county office for at least 8 years, and (3) has
15 attained age 55 with at least 8 years of service credit (or has
16 attained age 50 with at least 20 years of service as a
17 sheriff's law enforcement employee) may elect to have his
18 retirement annuity computed as follows: 3% of the participant's
19 salary for each of the first 8 years of service credit, plus 4%
20 of that salary for each of the next 4 years of service credit,
21 plus 5% of that salary for each year of service credit in
22 excess of 12 years, subject to a maximum of 80% of that salary.

23 This formula applies only to service in an elected county
24 office that the officer held for at least 8 years, and only to
25 service for which additional optional contributions have been
26 paid under this Section. If an elected county officer qualifies
27 to have this formula applied to service in more than one
28 elected county office, the qualifying service shall be
29 accumulated for purposes of determining the applicable accrual
30 percentages, but the salary used for each office shall be the
31 separate salary calculated for that office, as defined in
32 subsection (g).

33 To the extent that the elected county officer has service
34 credit that does not qualify for this formula, his retirement
35 annuity will first be determined in accordance with this
36 formula with respect to the service to which this formula

1 applies, and then in accordance with the remaining Sections of
2 this Article with respect to the service to which this formula
3 does not apply.

4 (c) In lieu of the disability benefits otherwise payable
5 under this Article, an elected county officer who (1) has
6 elected to participate in the Fund, and (2) has become
7 permanently disabled and as a consequence is unable to perform
8 the duties of his office, and (3) was making optional
9 contributions in accordance with this Section at the time the
10 disability was incurred, may elect to receive a disability
11 annuity calculated in accordance with the formula in subsection
12 (b). For the purposes of this subsection, an elected county
13 officer shall be considered permanently disabled only if: (i)
14 disability occurs while in service as an elected county officer
15 and is of such a nature as to prevent him from reasonably
16 performing the duties of his office at the time; and (ii) the
17 board has received a written certification by at least 2
18 licensed physicians appointed by it stating that the officer is
19 disabled and that the disability is likely to be permanent.

20 (d) Refunds of additional optional contributions shall be
21 made on the same basis and under the same conditions as
22 provided under Section 7-166, 7-167 and 7-168. Interest shall
23 be credited at the effective rate on the same basis and under
24 the same conditions as for other contributions.

25 If an elected county officer fails to hold that same
26 elected county office for at least 8 years, he or she shall be
27 entitled after leaving office to receive a refund of the
28 additional optional contributions made with respect to that
29 office, plus interest at the effective rate.

30 (e) The plan of optional alternative benefits and
31 contributions shall be available to persons who are elected
32 county officers and active contributors to the Fund on or after
33 November 15, 1994. A person who was an elected county officer
34 and an active contributor to the Fund on November 15, 1994 but
35 is no longer an active contributor may apply to make additional
36 optional contributions under this Section at any time within 90

1 days after the effective date of this amendatory Act of 1997;
2 if the person is an annuitant, the resulting increase in
3 annuity shall begin to accrue on the first day of the month
4 following the month in which the required payment is received
5 by the Fund.

6 (f) For the purposes of this Section and Section 7-145.2,
7 the terms "elected county officer" and "elected county office"
8 include, but are not limited to: (1) the county clerk,
9 recorder, treasurer, coroner, assessor (if elected), auditor,
10 sheriff, and State's Attorney; members of the county board;
11 members of a board of commissioners of a forest preserve
12 district who are elected pursuant to Section 3c of the
13 Downstate Forest Preserve District Act; and the clerk of the
14 circuit court; and (2) a person who has been appointed to fill
15 a vacancy in an office that is normally filled by election on a
16 countywide basis, for the duration of his or her service in
17 that office. The terms "elected county officer" and "elected
18 county office" do not include any officer or office of a county
19 or forest preserve district that has not consented to the
20 availability of benefits under this Section and Section
21 7-145.2.

22 (g) For the purposes of this Section and Section 7-145.2,
23 the term "salary" means the final rate of earnings for the
24 elected county office held, calculated in a manner consistent
25 with Section 7-116, but for that office only. If an elected
26 county officer qualifies to have the formula in subsection (b)
27 applied to service in more than one elected county office, a
28 separate salary shall be calculated and applied with respect to
29 each such office.

30 (h) The changes to this Section made by this amendatory Act
31 of the 91st General Assembly apply to persons who first make an
32 additional optional contribution under this Section on or after
33 the effective date of this amendatory Act.

34 (Source: P.A. 90-32, eff. 6-27-97; 91-685, eff. 1-26-00;
35 91-887, eff. 7-6-00.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.30 as follows:

3 (30 ILCS 805/8.30 new)

4 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
5 of this Act, no reimbursement by the State is required for the
6 implementation of any mandate created by this amendatory Act of
7 the 94th General Assembly.

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