



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB0287

Introduced 1/19/2007, by Rep. Jack D. Franks

SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-110.9 new
40 ILCS 5/4-108.4
30 ILCS 805/8.31 new

Amends the Illinois Pension Code. Allows an active member of a pension fund established under Article 4 (Downstate Firefighters Article) to apply for transfer of his or her creditable service accumulated in any police pension fund under Article 3 (Downstate Police Article) to a pension fund created under Article 4. Amends the State Mandates Act to require implementation without reimbursement.

LRB095 05114 AMC 25183 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 adding
5 Sections 3-110.9 and by changing Section 4-108.4 as follows:

6 (40 ILCS 5/3-110.9 new)

7 Sec. 3-110.9. Transfer of creditable service to Article 4
8 Fund.

9 (a) An active member of a pension fund established under
10 Article 4 of this Code may apply for transfer of his or her
11 creditable service as a public safety officer accumulated in
12 any police pension fund under this Article to a pension fund
13 created under Article 4. The creditable service shall be
14 transferred only upon payment by the police pension fund to the
15 pension fund created under Article 4 of an amount equal to:

16 (1) the amounts accumulated to the credit of the
17 applicant on the books of the fund on the date of transfer;

18 (2) employer contributions in an amount equal to the
19 amount determined under subparagraph (1); and

20 (3) any interest paid by the applicant in order to
21 reinstate service.

22 Participation in the police pension fund shall terminate on
23 the date of transfer.

1 (b) An active member of a pension fund established under
2 Article 4 may reinstate service as a public safety officer that
3 was terminated by receipt of a refund by paying to the police
4 pension fund the amount of the refund with interest thereon at
5 the rate of 6% per year, compounded annually, from the date of
6 refund to the date of payment.

7 (40 ILCS 5/4-108.4)

8 Sec. 4-108.4. Transfer of creditable service from Article 3
9 or Article 7 fund.

10 (a) Any firefighter who was excluded from participation in
11 an Article 4 fund because the firefighter earned credit for
12 that service under Article 7 of this Code and who is a
13 participant in the Illinois Municipal Retirement Fund may
14 become an active participant in that firefighter pension fund
15 by making a written application to the Board. Persons so
16 applying shall begin participation on the first day of the
17 month following the month in which the application is received
18 by the Board. An employee who makes application for
19 participation shall not be deemed ineligible to participate in
20 the firefighter pension fund by reason of having failed to
21 apply within the 3-month period specified in subsection (b) of
22 Section 4-107.

23 (b) A firefighter who was excluded from participation in an
24 Article 4 fund because the firefighter earned credit for that
25 service under Article 7 of this Code and who is a participant

1 in the Illinois Municipal Retirement Fund may also elect to
2 establish creditable service for those periods of employment as
3 a firefighter during which he or she was excluded from
4 participation in an Article 4 fund by paying into the fund the
5 amount that the person would have contributed had deductions
6 from salary been made for this purpose at the time the service
7 was rendered, together with interest thereon at 6% per annum,
8 compounded annually, from the time the service was rendered
9 until the date of payment, less any amounts transferred from
10 the Illinois Municipal Retirement Fund under Section 7-139.10.

11 (c) In no event shall pension credit for the same service
12 rendered by an employee be accredited in more than one pension
13 fund or retirement system under this Code. If an employee
14 applies for service credit under subsection (b), then any
15 creditable service time accumulated in the Illinois Municipal
16 Retirement Fund for the same period must be transferred to the
17 Article 4 fund under Section 7-139.10.

18 (d) A firefighter whose service as a public safety officer
19 was excluded from participation in an Article 4 fund because
20 the firefighter earned credit for that service under Article 3
21 of this Code and who is a participant in a police pension fund
22 under that Article may elect to establish creditable service
23 for those periods of employment as a public safety officer
24 during which he or she was excluded from participation in an
25 Article 4 fund by paying into the fund the amount that the
26 person would have contributed had deductions from salary been

1 made for this purpose at the time the service was rendered,
2 together with interest thereon at 6% per annum, compounded
3 annually, from the time the service was rendered until the date
4 of payment, less any amounts transferred from the police
5 pension fund under Section 3-110.9.

6 (Source: P.A. 93-689, eff. 7-1-04.)

7 Section 90. The State Mandates Act is amended by adding
8 Section 8.31 as follows:

9 (30 ILCS 805/8.31 new)

10 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
11 of this Act, no reimbursement by the State is required for the
12 implementation of any mandate created by this amendatory Act of
13 the 95th General Assembly.