



Sen. Edward D. Maloney

Filed: 11/27/2012

09700HB4666sam003

LRB097 15724 JDS 72404 a

1 AMENDMENT TO HOUSE BILL 4666

2 AMENDMENT NO. _____. Amend House Bill 4666 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 1-109.3 and 1-113.18 as follows:

6 (40 ILCS 5/1-109.3)

7 Sec. 1-109.3. Training requirement for pension trustees.

8 (a) All elected and appointed trustees under Article 3 and
9 4 of this Code must participate in a mandatory trustee
10 certification training seminar that consists of at least 32
11 hours of initial trustee certification at a training facility
12 that is accredited and affiliated with a State of Illinois
13 certified college or university. This training must include
14 without limitation all of the following:

15 (1) Duties and liabilities of a fiduciary under Article
16 1 of the Illinois Pension Code.

- 1 (2) Adjudication of pension claims.
- 2 (3) Basic accounting and actuarial training.
- 3 (4) Trustee ethics.
- 4 (5) The Illinois Open Meetings Act.
- 5 (6) The Illinois Freedom of Information Act.

6 The training required under this subsection (a) must be
7 completed within the first 2 years after the ~~year that a~~
8 trustee takes office ~~is elected or appointed~~ under an Article 3
9 or 4 pension fund. At least 8 hours of training during the
10 first year of training must cover trustee ethics and the
11 fiduciary duties and liabilities of pension trustees. The
12 elected and appointed trustees of an Article 3 or 4 pension
13 fund who are police officers (as defined in Section 3-106 of
14 this Code) or firefighters (as defined in Section 4-106 of this
15 Code) or are employed by the municipality shall be permitted
16 time away from their duties to attend such training without
17 reduction of accrued leave or benefit time. Active or appointed
18 trustees serving on August 13, 2009 (the effective date of
19 Public Act 96-429) ~~this amendatory Act of the 96th General~~
20 ~~Assembly~~ shall not be required to attend the training required
21 under this subsection (a).

22 (b) Upon completion of, and in ~~In~~ addition to, the initial
23 trustee certification training required under subsection (a),
24 all elected and appointed trustees under Article 3 and 4 of
25 this Code, including trustees serving on August 13, 2009 (the
26 effective date of Public Act 96-429) ~~this amendatory Act of the~~

1 ~~96th General Assembly~~, shall also complete at least an
2 additional ~~participate in a minimum of~~ 16 hours of continuing
3 trustee education during (i) the 2 years following the date by
4 which the training required under subsection (a) must be
5 completed and (ii) every 2 years thereafter. At least 4 hours
6 of training during each of those years shall be devoted to
7 trustee ethics and the fiduciary duties and liabilities of
8 pension trustees. At least 8 hours of the biennial training
9 required under this subsection (b) must be in the form of a
10 live lecture or classroom training forum or, if taken online,
11 must be in an interactive form with ascertainable verification
12 of participation and learning by the trustee in the online
13 training program. The balance of biennial trustee training
14 required under this subsection (b) may take the form of
15 participation in other training opportunities incident to the
16 functioning of the pension board, such as participation in
17 board hearings on the award of disability or other benefits or
18 training opportunities associated with other organizations or
19 employment that are applicable to the duties of a pension fund
20 trustee each year after the first year that the trustee is
21 elected or appointed.

22 (c) The training required under this Section shall be paid
23 for by the pension fund.

24 (d) Any board member who does not timely complete the
25 training required under this Section is not eligible to serve
26 on the board of trustees of an Article 3 or 4 pension fund,

1 unless the board member completes the missed training within 6
2 months after the date the member failed to complete the
3 required training. In the event of a board member's failure to
4 complete the required training, a successor shall be appointed
5 or elected, as applicable, for the unexpired term. A successor
6 who is elected under such circumstances must be elected at a
7 special election called by the board and conducted in the same
8 manner as a regular election under Article 3 or 4, as
9 applicable.

10 (Source: P.A. 96-429, eff. 8-13-09.)

11 (40 ILCS 5/1-113.18)

12 Sec. 1-113.18. Ethics training. All board members of a
13 retirement system, pension fund, or investment board created
14 under this Code must attend ethics training of at least 8 hours
15 per year. The training required under this Section shall
16 include training on ethics, fiduciary duty, and investment
17 issues and any other curriculum that the board of the
18 retirement system, pension fund, or investment board
19 establishes as being important for the administration of the
20 retirement system, pension fund, or investment board. The
21 Supreme Court of Illinois shall be responsible for ethics
22 training and curriculum for judges designated by the Court to
23 serve as members of a retirement system, pension fund, or
24 investment board. Each board shall annually certify its
25 members' compliance with this Section and submit an annual

1 certification to the Division of Insurance of the Department of
2 Financial and Professional Regulation. Judges shall annually
3 certify compliance with the ethics training requirement and
4 shall submit an annual certification to the Chief Justice of
5 the Supreme Court of Illinois. Fulfillment of the requirements
6 of Section 1-109.3 by elected and appointed trustees under
7 Articles 3 and 4 of this Code constitutes compliance with the
8 requirements of this Section.

9 (Source: P.A. 96-6, eff. 4-3-09.)".