



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB1042

by Rep. Michael W. Tryon

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-110.11  
40 ILCS 5/5-237.5  
30 ILCS 805/8.37 new

Amends the Downstate Police and Chicago Police Articles of the Illinois Pension Code. Makes it possible for a person to transfer service credit from the Chicago Police Pension Fund to a downstate police pension fund for a period of 60 days after the effective date of the amendatory Act. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

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FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 Sections 3-110.11 and 5-237.5 as follows:

6 (40 ILCS 5/3-110.11)

7 Sec. 3-110.11. Transfer of creditable service from Article  
8 5 fund. For a period of 60 days after the effective date of  
9 this amendatory Act of the 98th General Assembly ~~Section~~, a  
10 person may transfer to a fund established under this Article up  
11 to 10 years of creditable service accumulated under Article 5  
12 of this Code upon payment to the fund of an amount to be  
13 determined by the board, equal to (i) the difference between  
14 the amount of employee and employer contributions transferred  
15 to the fund under Section 5-237.5 and the amounts that would  
16 have been contributed had such contributions been made at the  
17 rates applicable to an employee under this Article, plus (ii)  
18 interest thereon at the actuarially assumed rate, compounded  
19 annually, from the date of service to the date of payment.

20 (Source: P.A. 97-326, eff. 8-12-11.)

21 (40 ILCS 5/5-237.5)

22 Sec. 5-237.5. Transfer of creditable service to Article 3

1 fund.

2 (a) Any person who is an active participant in a pension  
3 fund established under Article 3 of this Code may, for a period  
4 of 60 days after the effective date of this amendatory Act of  
5 the 98th General Assembly Section, apply for transfer of his or  
6 her credits and creditable service accumulated in this Fund to  
7 that Article 3 fund. Upon receipt of a written application to  
8 make this transfer, the Fund shall pay to the Article 3 fund an  
9 amount consisting of:

10 (1) the amounts credited to the applicant through  
11 employee contributions, plus accumulated interest; plus

12 (2) an amount representing municipality contributions,  
13 equal to the amount determined under item (1); plus

14 (3) any interest paid to the Fund in order to reinstate  
15 credits and creditable service under subsection (b).

16 Participation in this Fund shall terminate on the date of the  
17 transfer.

18 (b) As part of a transfer under subsection (a), a person  
19 may reinstate credits and creditable service that was  
20 terminated upon receipt of a refund, by paying to the Fund the  
21 amount of the refund plus interest thereon at the actuarially  
22 assumed rate, compounded annually, from the date of the refund  
23 to the date of payment.

24 (Source: P.A. 97-326, eff. 8-12-11.)

25 Section 90. The State Mandates Act is amended by adding

1 Section 8.37 as follows:

2 (30 ILCS 805/8.37 new)

3 Sec. 8.37. Exempt mandate. Notwithstanding Sections 6 and 8  
4 of this Act, no reimbursement by the State is required for the  
5 implementation of any mandate created by this amendatory Act of  
6 the 98th General Assembly.

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