

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 Section 7-210 as follows:

6 (40 ILCS 5/7-210) (from Ch. 108 1/2, par. 7-210)

7 Sec. 7-210. Funds. (a) All money received by the board
8 shall immediately be deposited with the State Treasurer for the
9 account of the fund, or in the case of funds received under
10 Section 7-199.1, in a separate account maintained for that
11 purpose. All disbursements of funds held by the State Treasurer
12 shall be made only upon warrants of the State Comptroller drawn
13 upon the Treasurer as custodian of this fund upon vouchers
14 signed by the person or persons designated for such purpose by
15 resolution of the board. The Comptroller is authorized to draw
16 such warrants upon vouchers so signed, including warrants
17 payable to the Fund for deposit in a revolving account
18 authorized by Section 7-195.1. The Treasurer shall accept all
19 warrants so signed and shall be released from liability for all
20 payments made thereon. Vouchers shall be drawn only upon proper
21 authorization by the board as properly recorded in the official
22 minute books of the meetings of the board.

23 (b) All securities of the fund when received shall be

1 deposited with the State Treasurer who shall provide adequate
2 safe deposit facilities for their preservation and have custody
3 of them.

4 (c) The assets of the fund shall be invested as one fund,
5 and no particular person, municipality, or instrumentality
6 thereof or participating instrumentality shall have any right
7 in any specific security or in any item of cash other than an
8 undivided interest in the whole.

9 (d) Except as provided in subsection (d-5), whenever
10 ~~whenever~~ any employees of a municipality or participating
11 instrumentality have been or shall be excluded from
12 participation in this fund by virtue of the application of
13 paragraph b of Section 7-109 (2), the board shall issue a
14 voucher authorizing the Comptroller to draw his warrant upon
15 the Treasurer as custodian of this fund in an amount equal to
16 the accumulated contributions of such employees. Such warrant
17 shall be drawn in favor of the appropriate fund of the
18 retirement fund in which such employees have or shall become
19 participants. Such transfer shall terminate any further rights
20 of such employees under this fund.

21 (d-5) Upon creation of a newly established Article 3 police
22 pension fund by referendum under Section 3-145 or by census
23 under Section 3-105, the following amounts shall be transferred
24 from this Fund to the new police pension fund, within 30 days
25 after an application therefor is received from the new pension
26 fund:

1 (1) the amounts actually contributed to this Fund as
2 employee contributions by or on behalf of the police
3 officers transferring to the new pension fund for their
4 service as police officers of the municipality that is
5 establishing the new pension fund, plus interest on those
6 amounts at the rate of 6% per year, compounded annually,
7 from the date of contribution to the date of transfer to
8 the new pension fund, and

9 (2) an amount representing employer contributions,
10 equal to the total amount determined under item (1).

11 This transfer terminates any further rights of such police
12 officers in this Fund arising out of their service as police
13 officers of the municipality that is establishing the new
14 pension fund.

15 (e) If a participating instrumentality terminates
16 participation because it fails to meet the requirements of
17 Section 7-108, it shall pay to the fund the amount equal to any
18 net debit balance in its municipality reserve account and
19 account receivable. Its successors, and assigns and
20 transferees of its assets shall be obligated to make this
21 payment to the extent of the value of assets transferred to
22 them. The fund shall pay an amount equal to any net credit
23 balance to the participating instrumentality, its successors
24 or assigns. Any remaining net debit or credit balance not
25 collectible or payable shall be transferred to the terminated
26 municipality reserve account. The fund shall pay to each

1 employee of the participating instrumentality an amount equal
2 to his credits in the employee reserves. The employees shall
3 have no further rights to any benefits from the fund, except
4 that annuities awarded prior to the date of termination shall
5 continue to be paid.

6 (Source: P.A. 84-812.)

7 Section 90. The State Mandates Act is amended by adding
8 Section 8.38 as follows:

9 (30 ILCS 805/8.38 new)

10 Sec. 8.38. 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 98th General Assembly.

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.