

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  
5 changing Sections 13-207, 13-310, and 13-706 as follows:

6 (40 ILCS 5/13-207) (from Ch. 108 1/2, par. 13-207)

7 Sec. 13-207. "Salary": The salary paid to an employee for  
8 service to the District or to the Board, including salary paid  
9 for vacation and sick leave and any amounts deferred under a  
10 deferred compensation plan established under this Code, but  
11 excluding (1) payment for unused vacation or sick leave, (2)  
12 overtime pay, (3) termination pay, and (4) any compensation in  
13 the form of benefits other than the salary. Salary for a member  
14 on a disability benefit is the salary on which the disability  
15 benefit is based.

16 (Source: P.A. 90-12, eff. 6-13-97.)

17 (40 ILCS 5/13-310) (from Ch. 108 1/2, par. 13-310)

18 Sec. 13-310. Ordinary disability benefit.

19 (a) Any employee who becomes disabled as the result of any  
20 cause other than injury or illness incurred in the performance  
21 of duty for the employer or any other employer, or while  
22 engaged in self-employment activities, shall be entitled to an

1 ordinary disability benefit. The eligible period for this  
2 benefit shall be 25% of the employee's total actual service  
3 prior to the date of disability with a cumulative maximum  
4 period of 5 years.

5 (b) The benefit shall be allowed only if the employee  
6 files an application in writing with the Board that includes  
7 ~~and~~ a medical report ~~is submitted~~ by at least one licensed  
8 health care professional and the employee is examined, at  
9 least annually, by a licensed health care professional  
10 appointed by the Board as part of the employee's application.

11 The benefit is not payable for any disability which begins  
12 during any period of unpaid leave of absence. No benefit shall  
13 be allowed for any period of disability prior to 30 days before  
14 application is made, unless the Board finds good cause for the  
15 delay in filing the application. The benefit shall not be paid  
16 during any period for which the employee receives or is  
17 entitled to receive any part of salary.

18 The benefit is not payable for any disability which begins  
19 during any period of absence from duty other than allowable  
20 vacation time in any calendar year. An employee whose  
21 disability begins during any such ineligible period of absence  
22 from service may not receive benefits until the employee  
23 recovers from the disability and is in service for at least 15  
24 consecutive working days after such recovery.

25 In the case of an employee who first enters service on or  
26 after June 13, 1997, an ordinary disability benefit is not

1 payable for the first 3 days of disability that would  
2 otherwise be payable under this Section if the disability does  
3 not continue for at least 11 additional days.

4 Beginning on August 18, 2005 (the effective date of Public  
5 Act 94-621) ~~this amendatory Act of the 94th General Assembly,~~  
6 an employee who first entered service on or after June 13, 1997  
7 is also eligible for ordinary disability benefits on the 31st  
8 day after the last day worked, provided all sick leave is  
9 exhausted.

10 (c) The benefit shall be 50% of the employee's salary at  
11 the date of disability, and shall terminate when the earliest  
12 of the following occurs:

13 (1) The employee returns to work or receives a  
14 retirement annuity paid wholly or in part under this  
15 Article;

16 (2) The disability ceases;

17 (3) The employee willfully and continuously refuses to  
18 follow medical advice and treatment to enable the employee  
19 to return to work. However, this provision does not apply  
20 to an employee who relies in good faith on treatment by  
21 prayer through spiritual means alone in accordance with  
22 the tenets and practice of a recognized church or  
23 religious denomination, by a duly accredited practitioner  
24 thereof;

25 (4) The employee (i) refuses to submit to a reasonable  
26 physical examination within 30 days of application by a

1 licensed health care professional appointed by the Board,  
2 (ii) in the case of chronic alcoholism, the employee  
3 refuses to join a rehabilitation program licensed by the  
4 Department of Public Health of the State of Illinois and  
5 certified by the Joint Commission on the Accreditation of  
6 Hospitals, (iii) fails or refuses to consent to and sign  
7 an authorization allowing the Board to receive copies of  
8 or to examine the employee's medical and hospital records,  
9 or (iv) fails or refuses to provide complete information  
10 regarding any other employment for compensation he or she  
11 has received since becoming disabled; or

12 (5) The eligibility ~~eligible~~ period for this benefit  
13 has been exhausted.

14 The first payment of the benefit shall be made not later  
15 than one month after the same has been granted, and subsequent  
16 payments shall be made at least monthly.

17 (Source: P.A. 102-210, eff. 7-30-21; 103-523, eff. 1-1-24;  
18 revised 7-17-24.)

19 (40 ILCS 5/13-706) (from Ch. 108 1/2, par. 13-706)

20 Sec. 13-706. Board powers and duties. The Board shall have  
21 the powers and duties set forth in this Section, in addition to  
22 such other powers and duties as may be provided in this Article  
23 and in this Code:

24 (a) To supervise collections. To see that all amounts  
25 specified in this Article to be applied to the Fund, from

1 any source, are collected and applied.

2 (b) To notify of deductions. To notify the Clerk of  
3 the Water Reclamation District of the deductions to be  
4 made from the salaries of employees.

5 (c) To accept gifts. To accept by gift, grant, bequest  
6 or otherwise any money or property of any kind and use the  
7 same for the purposes of the Fund.

8 (d) To invest the reserves. To invest the reserves of  
9 the Fund in accordance with the provisions set forth in  
10 Section 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and  
11 1-115 of this Code. Investments made in accordance with  
12 Section 1-113 of Article 1 of this Code shall be deemed  
13 prudent. The Board is also authorized to transfer  
14 securities to the Illinois State Board of Investment for  
15 the purpose of participation in any commingled investment  
16 fund as provided in Article 22A of this Code.

17 (e) To authorize payments. To consider and pass upon  
18 all applications for annuities and benefits; to authorize  
19 or suspend the payment of any annuity or benefit; to  
20 inquire into the validity and legality of any grant of  
21 annuity or benefit paid from or payable out of the Fund; to  
22 increase, reduce, or suspend any such annuity or benefit  
23 whenever the annuity or benefit, or any part thereof, was  
24 secured or granted, or the amount thereof fixed, as the  
25 result of misrepresentation, fraud, or error. No such  
26 annuity or benefit shall be permanently reduced or

1           suspended until the affected annuitant or beneficiary is  
2           first notified of the proposed action and given an  
3           opportunity to be heard. No trustee of the Board shall  
4           vote upon that trustee's own personal claim for annuity,  
5           benefit or refund, or participate in the deliberations of  
6           the Board as to the validity of any such claim. The Board  
7           shall have exclusive original jurisdiction in all matters  
8           of claims for annuities, benefits and refunds.

9           (f) To submit an annual report. To submit a report in  
10          July of each year to the Board of Commissioners of the  
11          Water Reclamation District as of the close of business on  
12          December 31st of the preceding year. The report shall  
13          include the following:

14                 (1) A balance sheet, showing the financial and  
15                 actuarial condition of the Fund as of the end of the  
16                 calendar year;

17                 (2) A statement of receipts and disbursements  
18                 during such year;

19                 (3) A statement showing changes in the asset,  
20                 liability, reserve and surplus accounts during such  
21                 year;

22                 (4) A detailed statement of investments as of the  
23                 end of the year; and

24                 (5) Any additional information as is deemed  
25                 necessary for proper interpretation of the condition  
26                 of the Fund.

1           (g) To subpoena witnesses and compel the production of  
2 records. To issue subpoenas to compel the attendance of  
3 witnesses to testify before the Board and to compel the  
4 production of documents and records upon any matter  
5 concerning the Fund, including, but not limited to, in  
6 conjunction with:

7                   (1) a disability claim;

8                   (2) an administrative review proceeding;

9                   (3) an attempt to obtain information to assist in  
10 the collection of sums due to the Fund;

11                   (4) obtaining any and all personal identifying  
12 information necessary for the administration of  
13 benefits;

14                   (5) the determination of the death of a benefit  
15 recipient or a potential benefit recipient; or

16                   (6) a felony forfeiture investigation.

17           The fees of witnesses for attendance and travel shall be  
18 the same as the fees of witnesses before the circuit courts of  
19 this State and shall be paid by the party seeking the subpoena.  
20 The Board may apply to any circuit court in the State for an  
21 order requiring compliance with a subpoena issued under this  
22 Section. Subpoenas issued under this Section shall be subject  
23 to the applicable provisions of the Code of Civil Procedure.  
24 The President or other members of the Board may administer  
25 oaths to witnesses. ~~To compel witnesses to attend and testify~~  
26 ~~before it upon any matter concerning the Fund and allow~~

1 ~~witness fees not in excess of \$6 for attendance upon any one~~  
2 ~~day. The President and other members of the Board may~~  
3 ~~administer oaths to witnesses.~~

4 (h) To appoint employees and consultants. To appoint  
5 such actuarial, medical, legal, investigational, clerical  
6 or financial employees and consultants as are necessary,  
7 and fix their compensation.

8 (i) To make rules. To make rules and regulations  
9 necessary for the administration of the affairs of the  
10 Fund.

11 (j) To waive guardianship. To waive the requirement of  
12 legal guardianship of a person under legal disability or  
13 any minor unmarried beneficiary of the Fund for a  
14 representative managing such person or beneficiary's  
15 affairs, whenever the Board deems such waiver to be in the  
16 best interest of the person or beneficiary.

17 (k) To collect amounts due. To collect any amounts due  
18 to the Fund from any participant or beneficiary prior to  
19 payment of any annuity, benefit or refund.

20 (l) To invoke rule of offset. To offset against any  
21 amount payable to an employee or to any other person such  
22 sums as may be due to the Fund or may have been paid by the  
23 Fund due to misrepresentation, fraud or error.

24 (m) To assess and collect interest on amounts due to  
25 the Fund using the annual rate as shall from time to time  
26 be determined by the Board, compounded annually from the

1           date of notification to the date of payment.

2           (Source: P.A. 103-523, eff. 1-1-24.)