

# SB0690



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB0690

Introduced 1/24/2025, by Sen. Don Harmon

### SYNOPSIS AS INTRODUCED:

40 ILCS 5/24-101

from Ch. 108 1/2, par. 24-101

Amends the Illinois Pension Code. Makes a technical change in a Section concerning deferred compensation.

LRB104 06998 RPS 17035 b

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  
5 changing Section 24-101 as follows:

6 (40 ILCS 5/24-101) (from Ch. 108 1/2, par. 24-101)

7 Sec. 24-101. Notwithstanding any law to the ~~the~~ contrary,  
8 the State of Illinois or any unit of local government or school  
9 district may enter into a written contract with any of its  
10 employees to defer a part of their gross compensation and may  
11 invest such funds in any such manner as prescribed by the  
12 deferred compensation program adopted by it under this  
13 Article. Compensation deferred pursuant to a deferred  
14 compensation program adopted under this Article shall not  
15 exceed the amount of compensation allowed to be deferred  
16 without being subject to income tax in the year in which it is  
17 earned, pursuant to Section 457 of the United States Internal  
18 Revenue Code or laws supplementary or amendatory thereto.

19 It is hereby declared to be in the public interest to  
20 provide public employees with a plan for the deferral of  
21 compensation and the accrual of income and gain thereon if  
22 such deferred compensation be invested, and to encourage the  
23 continued service of public employees by making available such

1 benefits to them.

2 (Source: P.A. 82-145.)