



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5590

by Rep. Frances Ann Hurley

SYNOPSIS AS INTRODUCED:

40 ILCS 5/6-124	from Ch. 108 1/2, par. 6-124
40 ILCS 5/6-124.1	
40 ILCS 5/6-158	from Ch. 108 1/2, par. 6-158
30 ILCS 805/8.44 new	

Amends the Chicago Firefighter Article of the Illinois Pension Code. Provides that when a future entrant who is not subject to the compulsory retirement age withdraws from service and is at least age 63, his or her age and service annuity shall be fixed as of the age he or she withdraws from service. Makes conforming changes. In a provision concerning contribution refunds, removes an age limitation on eligibility for a refund. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB101 19203 RPS 68666 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 6-124, 6-124.1, and 6-158 as follows:

6 (40 ILCS 5/6-124) (from Ch. 108 1/2, par. 6-124)

7 Sec. 6-124. Future entrants; amount ~~entrants age 63 in~~
8 ~~service amount~~ of annuity. When a future entrant attains age 63
9 in service, except for a fireman who is not subject to the
10 compulsory retirement age, his age and service annuity shall be
11 fixed as of age 63. The annuity shall be that provided from the
12 entire sum accumulated to his credit for age and service
13 annuity on the date he attains age 63.

14 When a future entrant who is not subject to the compulsory
15 retirement age withdraws from service and is at least age 63,
16 his or her age and service annuity shall be fixed as of the age
17 he or she withdraws from service. The annuity shall be that
18 provided from the entire sum accumulated to his or her credit
19 for age and service annuity on the date he or she withdraws
20 from service.

21 (Source: P.A. 76-1668.)

22 (40 ILCS 5/6-124.1)

1 Sec. 6-124.1. Withdrawal from service; amount at
2 ~~compulsory retirement age~~ amount of annuity.

3 (a) In lieu of any annuity provided in the other provisions
4 of this Article, a fireman who (1) is required to withdraw from
5 service due to attainment of compulsory retirement age, or is
6 not subject to compulsory retirement age, withdraws from
7 service, and is at least age 63, and (2) has at least 10 but
8 less than 20 years of service credit may elect to receive an
9 annuity equal to 30% of average salary for the first 10 years
10 of service plus 2% of average salary for each completed year of
11 service or remaining fraction thereof in excess of 10, but not
12 to exceed a maximum of 50% of average salary.

13 (b) For the purpose of this Section, "average salary" means
14 the average of the fireman's highest 4 consecutive years of
15 salary within the last 10 years of service.

16 (c) For the purpose of qualifying for the annual increases
17 provided in Section 6-164, a fireman whose retirement annuity
18 is calculated under this Section shall be deemed to qualify for
19 a minimum annuity.

20 (Source: P.A. 93-654, eff. 1-16-04.)

21 (40 ILCS 5/6-158) (from Ch. 108 1/2, par. 6-158)

22 Sec. 6-158. Refund ~~Refund~~ ~~General~~.

23 (a) A fireman who withdraws ~~before age 50~~ and a fireman
24 with less than 10 years of service ~~who withdraws before age 57,~~
25 or any fireman who withdraws and enters the service of another

1 department of the city, has a right to a refund of the entire
2 amount to his credit as of the date of withdrawal for age and
3 service annuity or Tier 2 monthly retirement annuity, for
4 automatic annual increase in annuity as provided in Section
5 6-164, and for widow's annuity or Tier 2 surviving spouse's
6 annuity, from deductions from salary.

7 (b) Any such fireman shall be entitled to refund until he
8 re-enters service or until his annuity is fixed.

9 (c) A fireman who receives a refund forfeits all rights to
10 any annuity or benefit from the fund, for himself and for any
11 other person who might benefit through him because of his
12 service, provided he shall retain the right to credit for any
13 such service, for the purpose of computing his total service if
14 he re-enters service before age 57, becomes a beneficiary of
15 the fund and makes repayment of the refund with interest.

16 (d) A fireman completing 10 years of service who does not
17 receive a refund, may receive an annuity as provided in this
18 Article.

19 (e) A fireman completing less than 10 years who does not
20 receive a refund has a right to have all amounts to his credit
21 for annuity purposes on the date of withdrawal improved by
22 interest while he is out of service until age 57 only, for his
23 benefit and the benefit of any person who may have any right to
24 annuity through him, if he subsequently reenters service and
25 attains a right to annuity.

26 (Source: P.A. 99-905, eff. 11-29-16.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.44 as follows:

3 (30 ILCS 805/8.44 new)

4 Sec. 8.44. Exempt mandate. Notwithstanding Sections 6 and 8
5 of this Act, no reimbursement by the State is required for the
6 implementation of any mandate created by this amendatory Act of
7 the 101st General Assembly.

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