



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB4206

Introduced 4/6/2022, by Sen. Scott M. Bennett

SYNOPSIS AS INTRODUCED:

40 ILCS 5/15-103.1
40 ILCS 5/15-103.2
40 ILCS 5/15-103.3
40 ILCS 5/15-107 from Ch. 108 1/2, par. 15-107
40 ILCS 5/15-153.3 from Ch. 108 1/2, par. 15-153.3
40 ILCS 5/15-153.4 new
40 ILCS 5/15-198

Amends the State Universities Article of the Illinois Pension Code. Provides that if a police officer, as the result of sickness, accident, or injury incurred in or resulting from the performance of an act of duty, is found to be physically or mentally disabled for service as a police officer so as to render necessary his or her suspension or retirement from the police service or is found to be unable to perform his or her duties as a police officer by reason of heart disease, stroke, tuberculosis, or any disease of the lungs or respiratory tract, resulting from service as a police officer, then the police officer shall be entitled to a line of duty disability annuity equal to the greater of: (1) 65% of the salary attached to the rank on the police force held by the officer at the date of suspension of duty or retirement; or (2) the retirement annuity that the police officer would be eligible to receive if he or she retired (but not including any automatic annual increase in that retirement annuity). Provides that a police officer shall be considered to be in the performance of an act of duty while on any assignment approved by the police officer's chief, whether the assignment is on or off the employer's property. Provides that if a police officer who receives a line of duty disability annuity under the provisions dies while still disabled, the line of duty disability retirement annuity shall continue to be paid to his or her survivors. Provides that any benefit increase that results from the amendatory Act is excluded from the definition of "new benefit increase". Contains provisions concerning annual increases; verification of disability; and applicability. Makes conforming and other changes.

LRB102 26557 RPS 37237 b

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 15-103.1, 15-103.2, 15-103.3, 15-107,
6 15-153.3, and 15-198 and by adding Section 15-153.4 as
7 follows:

8 (40 ILCS 5/15-103.1)

9 Sec. 15-103.1. Traditional Benefit Package. "Traditional
10 benefit package": The defined benefit retirement program
11 maintained under the System which includes retirement
12 annuities payable directly from the System as provided in
13 Sections 15-135 through 15-140 (but disregarding Section
14 15-136.4), disability retirement annuities payable under
15 Section 15-153.2, line of duty disability annuities under
16 Section 15-153.4, death benefits payable directly from the
17 System as provided in Sections 15-141 through 15-144,
18 survivors insurance benefits payable directly from the System
19 as provided in Sections 15-145 through 15-149, and
20 contribution refunds as provided in Section 15-154. The
21 traditional benefit package also includes disability benefits
22 as provided in Sections 15-150 through 15-153.3.

23 (Source: P.A. 90-766, eff. 8-14-98.)

1 (40 ILCS 5/15-103.2)

2 Sec. 15-103.2. Portable Benefit Package. "Portable benefit
3 package": The defined benefit retirement program maintained
4 under the System which includes retirement annuities payable
5 directly from the System as provided in Sections 15-135
6 through 15-139 (specifically including Section 15-136.4),
7 disability retirement annuities payable under Section
8 15-153.2, line of duty disability annuities under Section
9 15-153.4, death benefits payable directly from the System as
10 provided in Sections 15-141 through 15-144, and contribution
11 refunds as provided in Section 15-154. The portable benefit
12 package also includes disability benefits as provided in
13 Sections 15-150 through 15-153.3. The portable benefit package
14 does not include the survivors insurance benefits payable
15 directly from the System as provided in Sections 15-145
16 through 15-149.

17 (Source: P.A. 90-766, eff. 8-14-98.)

18 (40 ILCS 5/15-103.3)

19 Sec. 15-103.3. Self-Managed Plan. "Self-managed plan": The
20 defined contribution retirement program maintained under the
21 System as described in Section 15-158.2. The self-managed plan
22 also includes disability benefits as provided in Sections
23 15-150 through 15-153.3 (but disregarding disability
24 retirement annuities under Section 15-153.2) and line of duty

1 disability annuities under Section 15-153.4. The self-managed
2 plan does not include retirement annuities, death benefits, or
3 survivors insurance benefits payable directly from the System
4 as provided in Sections 15-135 through 15-149 and Section
5 15-153.2, or refunds determined under Section 15-154.

6 (Source: P.A. 90-766, eff. 8-14-98.)

7 (40 ILCS 5/15-107) (from Ch. 108 1/2, par. 15-107)

8 Sec. 15-107. Employee.

9 (a) "Employee" means any member of the educational,
10 administrative, secretarial, clerical, mechanical, labor or
11 other staff of an employer whose employment is permanent and
12 continuous or who is employed in a position in which services
13 are expected to be rendered on a continuous basis for at least
14 4 months or one academic term, whichever is less, who (A)
15 receives payment for personal services on a warrant issued
16 pursuant to a payroll voucher certified by an employer and
17 drawn by the State Comptroller upon the State Treasurer or by
18 an employer upon trust, federal or other funds, or (B) is on a
19 leave of absence without pay. Employment which is irregular,
20 intermittent or temporary shall not be considered continuous
21 for purposes of this paragraph.

22 However, a person is not an "employee" if he or she:

23 (1) is a student enrolled in and regularly attending
24 classes in a college or university which is an employer,
25 and is employed on a temporary basis at less than full

1 time;

2 (2) is currently receiving a retirement annuity or a
3 disability retirement annuity under Section 15-153.2 from
4 this System;

5 (3) is on a military leave of absence;

6 (4) is eligible to participate in the Federal Civil
7 Service Retirement System and is currently making
8 contributions to that system based upon earnings paid by
9 an employer;

10 (5) is on leave of absence without pay for more than 60
11 days immediately following termination of disability
12 benefits under this Article;

13 (6) is hired after June 30, 1979 as a public service
14 employment program participant under the Federal
15 Comprehensive Employment and Training Act and receives
16 earnings in whole or in part from funds provided under
17 that Act; ~~or~~

18 (7) is employed on or after July 1, 1991 to perform
19 services that are excluded by subdivision (a)(7)(f) or
20 (a)(19) of Section 210 of the federal Social Security Act
21 from the definition of employment given in that Section
22 (42 U.S.C. 410); or

23 (8) receives a line of duty disability annuity under
24 Section 15-153.4.

25 (b) Any employer may, by filing a written notice with the
26 board, exclude from the definition of "employee" all persons

1 employed pursuant to a federally funded contract entered into
2 after July 1, 1982 with a federal military department in a
3 program providing training in military courses to federal
4 military personnel on a military site owned by the United
5 States Government, if this exclusion is not prohibited by the
6 federally funded contract or federal laws or rules governing
7 the administration of the contract.

8 (c) Any person appointed by the Governor under the Civil
9 Administrative Code of Illinois is an employee, if he or she is
10 a participant in this system on the effective date of the
11 appointment.

12 (d) A participant on lay-off status under civil service
13 rules is considered an employee for not more than 120 days from
14 the date of the lay-off.

15 (e) A participant is considered an employee during (1) the
16 first 60 days of disability leave, (2) the period, not to
17 exceed one year, in which his or her eligibility for
18 disability benefits is being considered by the board or
19 reviewed by the courts, and (3) the period he or she receives
20 disability benefits under the provisions of Section 15-152,
21 workers' compensation or occupational disease benefits, or
22 disability income under an insurance contract financed wholly
23 or partially by the employer.

24 (f) Absences without pay, other than formal leaves of
25 absence, of less than 30 calendar days, are not considered as
26 an interruption of a person's status as an employee. If such

1 absences during any period of 12 months exceed 30 work days,
2 the employee status of the person is considered as interrupted
3 as of the 31st work day.

4 (g) A staff member whose employment contract requires
5 services during an academic term is to be considered an
6 employee during the summer and other vacation periods, unless
7 he or she declines an employment contract for the succeeding
8 academic term or his or her employment status is otherwise
9 terminated, and he or she receives no earnings during these
10 periods.

11 (h) An individual who was a participating employee
12 employed in the fire department of the University of
13 Illinois's Champaign-Urbana campus immediately prior to the
14 elimination of that fire department and who immediately after
15 the elimination of that fire department became employed by the
16 fire department of the City of Urbana or the City of Champaign
17 shall continue to be considered as an employee for purposes of
18 this Article for so long as the individual remains employed as
19 a firefighter by the City of Urbana or the City of Champaign.
20 The individual shall cease to be considered an employee under
21 this subsection (h) upon the first termination of the
22 individual's employment as a firefighter by the City of Urbana
23 or the City of Champaign.

24 (i) An individual who is employed on a full-time basis as
25 an officer or employee of a statewide teacher organization
26 that serves System participants or an officer of a national

1 teacher organization that serves System participants may
2 participate in the System and shall be deemed an employee,
3 provided that (1) the individual has previously earned
4 creditable service under this Article, (2) the individual
5 files with the System an irrevocable election to become a
6 participant before January 5, 2012 (the effective date of
7 Public Act 97-651), (3) the individual does not receive credit
8 for that employment under any other Article of this Code, and
9 (4) the individual first became a full-time employee of the
10 teacher organization and becomes a participant before January
11 5, 2012 (the effective date of Public Act 97-651). An employee
12 under this subsection (i) is responsible for paying to the
13 System both (A) employee contributions based on the actual
14 compensation received for service with the teacher
15 organization and (B) employer contributions equal to the
16 normal costs (as defined in Section 15-155) resulting from
17 that service; all or any part of these contributions may be
18 paid on the employee's behalf or picked up for tax purposes (if
19 authorized under federal law) by the teacher organization.

20 A person who is an employee as defined in this subsection
21 (i) may establish service credit for similar employment prior
22 to becoming an employee under this subsection by paying to the
23 System for that employment the contributions specified in this
24 subsection, plus interest at the effective rate from the date
25 of service to the date of payment. However, credit shall not be
26 granted under this subsection for any such prior employment

1 for which the applicant received credit under any other
2 provision of this Code, or during which the applicant was on a
3 leave of absence under Section 15-113.2.

4 (j) A person employed by the State Board of Higher
5 Education in a position with the Illinois Century Network as
6 of June 30, 2004 shall be considered to be an employee for so
7 long as he or she remains continuously employed after that
8 date by the Department of Central Management Services in a
9 position with the Illinois Century Network, the Bureau of
10 Communication and Computer Services, or, if applicable, any
11 successor bureau or the Department of Innovation and
12 Technology and meets the requirements of subsection (a).

13 (k) The Board shall promulgate rules with respect to
14 determining whether any person is an employee within the
15 meaning of this Section. In the case of doubt as to whether any
16 person is an employee within the meaning of this Section or any
17 rule adopted by the Board, the decision of the Board shall be
18 final.

19 (Source: P.A. 101-81, eff. 7-12-19; 101-321, eff. 8-9-19.)

20 (40 ILCS 5/15-153.3) (from Ch. 108 1/2, par. 15-153.3)

21 Sec. 15-153.3. Automatic increase in disability benefit.
22 Each disability benefit payable under Section 15-150 and
23 calculated under Section 15-153 or 15-153.2 and each line of
24 duty disability annuity under Section 15-153.4 that has not
25 yet received an initial increase under this Section shall be

1 increased by 0.25% of the monthly disability benefit
2 multiplied by the number of full months that have elapsed
3 since the benefit began on January 1, 2002 or the January 1
4 next following the granting of the benefit, whichever occurs
5 later.

6 On each January 1 following the initial increase under
7 this Section, the disability benefit shall be increased by 3%
8 of the current amount of the benefit, including prior
9 increases under this Article.

10 The changes made to this Section by this amendatory Act of
11 the 92nd General Assembly apply without regard to whether the
12 benefit recipient was in service on or after the effective
13 date of this amendatory Act.

14 (Source: P.A. 92-749, eff. 8-2-02.)

15 (40 ILCS 5/15-153.4 new)

16 Sec. 15-153.4. Line of duty disability annuity.

17 (a) This Section applies only to police officers, and the
18 annuities provided under this Section are in lieu of the
19 benefits under Section 15-150, disability retirement
20 annuities, and retirement annuities. If a police officer, as
21 the result of sickness, accident, or injury incurred in or
22 resulting from the performance of an act of duty, is found to
23 be physically or mentally disabled for service as a police
24 officer so as to render necessary his or her suspension or
25 retirement from the police service or is found to be unable to

1 perform his or her duties as a police officer by reason of
2 heart disease, stroke, tuberculosis, or any disease of the
3 lungs or respiratory tract, resulting from service as a police
4 officer, then the police officer shall be entitled to a line of
5 duty disability annuity under this Section equal to the
6 greater of: (1) 65% of the salary attached to the rank on the
7 police force held by the officer at the date of suspension of
8 duty or retirement; or (2) the retirement annuity that the
9 police officer would be eligible to receive if he or she
10 retired (but not including any automatic annual increase in
11 that retirement annuity). The amount of the benefit shall be
12 subject to the reductions specified in Section 15-153.1.

13 Any police officer who suffers a heart attack or stroke as
14 a result of the performance and discharge of police duty shall
15 be considered to have been injured in the performance of an act
16 of duty and shall be eligible for the benefits provided under
17 this Section.

18 A police officer shall be considered to be in the
19 performance of an act of duty while on any assignment approved
20 by the police officer's chief, whether the assignment is on or
21 off the employer's property.

22 (b) A line of duty disability annuity shall not be paid
23 unless there is filed with the Board certificates of the
24 police officer's disability, subscribed and sworn to by the
25 police officer if he or she is not under legal disability, or
26 by a representative if the police officer is under legal

1 disability, and by the police surgeon (if there is one) and 3
2 practicing physicians selected by the Board. The Board may
3 require other evidence of disability. Medical examination of a
4 police officer receiving a line of duty disability annuity
5 shall be made at least once each year prior to attainment of
6 age 50, as verification of the continuance of disability for
7 service as a police officer. No examination shall be required
8 after age 50.

9 (c) The System may take appropriate steps to verify the
10 applicant's disability and earnings status and, for this
11 purpose, may request from the Department of Revenue a
12 certified copy of the applicant's Illinois income tax return
13 for any year for which an annuity under this Section is payable
14 or has been paid.

15 (d) A disabled police officer who (1) is receiving a line
16 of duty disability annuity, (2) annually files with the
17 System, while the line of duty disability annuity remains
18 payable, a written application for the benefits of this
19 subsection, including an affidavit stating that the applicant
20 has not earned any income from gainful employment during the
21 most recently concluded tax year and a copy of his or her most
22 recent Illinois income tax return, (3) has service credit
23 under this Article for at least 7 years of active duty, and (4)
24 has been receiving the annuity under this Section for a period
25 that, when added to the officer's total service credit under
26 this Article, equals at least 20 years, shall be eligible to

1 receive an annual noncompounded increase in his or her annuity
2 under this Section, equal to 3% of the original annuity. The
3 annual increase shall accrue on each anniversary of the
4 initial payment date of the line of duty disability annuity
5 under this Section for so long as the annuity remains payable
6 to the disabled police officer and the required annual
7 application is made, except that the annual increases under
8 this Section shall cease if the disabled police officer earns
9 income from gainful employment. Within 60 days after accepting
10 an initial application under this Section, the System shall
11 pay to the disabled police officer, in a lump sum without
12 interest, the amounts resulting from the annual increases that
13 have accrued retroactively.

14 (e) This Section is not limited to persons in active
15 service on or after the effective date of this amendatory Act
16 of the 102nd General Assembly, but it applies only to an
17 annuity that is payable under this Section to a disabled
18 police officer (rather than a survivor). Upon the death of the
19 disabled police officer, the line of duty disability annuity
20 payable under this Section to his or her survivors shall
21 include any annual increases previously received, but no
22 additional increases shall accrue under this subsection.

23 (f) If a police officer who receives a line of duty
24 disability annuity under this Section dies while still
25 disabled, the line of duty disability annuity under this
26 Section shall continue to be paid to his or her survivors in

1 the sequence provided in Section 15-145 in lieu of the
2 survivors insurance benefits provided in Section 15-145,
3 unless the survivors insurance benefits are greater.

4 (g) The Board shall adopt rules governing the filing,
5 investigation, control, and supervision of line of duty
6 disability annuity claims.

7 (40 ILCS 5/15-198)

8 Sec. 15-198. Application and expiration of new benefit
9 increases.

10 (a) As used in this Section, "new benefit increase" means
11 an increase in the amount of any benefit provided under this
12 Article, or an expansion of the conditions of eligibility for
13 any benefit under this Article, that results from an amendment
14 to this Code that takes effect after June 1, 2005 (the
15 effective date of Public Act 94-4). "New benefit increase",
16 however, does not include any benefit increase resulting from
17 the changes made to Article 1 or this Article by Public Act
18 100-23, Public Act 100-587, Public Act 100-769, Public Act
19 101-10, Public Act 101-610, Public Act 102-16, or this
20 amendatory Act of the 102nd General Assembly ~~this amendatory~~
21 ~~Act of the 102nd General Assembly.~~

22 (b) Notwithstanding any other provision of this Code or
23 any subsequent amendment to this Code, every new benefit
24 increase is subject to this Section and shall be deemed to be
25 granted only in conformance with and contingent upon

1 compliance with the provisions of this Section.

2 (c) The Public Act enacting a new benefit increase must
3 identify and provide for payment to the System of additional
4 funding at least sufficient to fund the resulting annual
5 increase in cost to the System as it accrues.

6 Every new benefit increase is contingent upon the General
7 Assembly providing the additional funding required under this
8 subsection. The Commission on Government Forecasting and
9 Accountability shall analyze whether adequate additional
10 funding has been provided for the new benefit increase and
11 shall report its analysis to the Public Pension Division of
12 the Department of Insurance. A new benefit increase created by
13 a Public Act that does not include the additional funding
14 required under this subsection is null and void. If the Public
15 Pension Division determines that the additional funding
16 provided for a new benefit increase under this subsection is
17 or has become inadequate, it may so certify to the Governor and
18 the State Comptroller and, in the absence of corrective action
19 by the General Assembly, the new benefit increase shall expire
20 at the end of the fiscal year in which the certification is
21 made.

22 (d) Every new benefit increase shall expire 5 years after
23 its effective date or on such earlier date as may be specified
24 in the language enacting the new benefit increase or provided
25 under subsection (c). This does not prevent the General
26 Assembly from extending or re-creating a new benefit increase

1 by law.

2 (e) Except as otherwise provided in the language creating
3 the new benefit increase, a new benefit increase that expires
4 under this Section continues to apply to persons who applied
5 and qualified for the affected benefit while the new benefit
6 increase was in effect and to the affected beneficiaries and
7 alternate payees of such persons, but does not apply to any
8 other person, including, without limitation, a person who
9 continues in service after the expiration date and did not
10 apply and qualify for the affected benefit while the new
11 benefit increase was in effect.

12 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
13 101-610, eff. 1-1-20; 102-16, eff. 6-17-21.)