94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB2376

Introduced 2/16/2005, by Rep. Rich Brauer

SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-174	from Ch.	108	1/2,	par.	7-174
40 ILCS 5/7-175	from Ch.	108	1/2,	par.	7-175

Amends the IMRF Article of the Illinois Pension Code. Adds 2 additional members to the Board of Trustees: one sheriff, to be elected by the members who are sheriffs; and one sheriff's law enforcement employee (SLEP), to be elected by the members who are SLEPs. Effective immediately.

LRB094 05359 EFG 35404 b

PENSION IMPACT NOTE ACT MAY APPLY HB2376

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AN ACT concerning public employee benefits.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The Illinois Pension Code is amended by changing
Sections 7-174 and 7-175 as follows:

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(40 ILCS 5/7-174) (from Ch. 108 1/2, par. 7-174)

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Sec. 7-174. Board created.

8 (a) A board of <u>10 members</u> 8 members shall constitute a 9 board of trustees authorized to carry out the provisions of 10 this Article. Each trustee shall be a participating employee of 11 a participating municipality or participating instrumentality 12 or an annuitant of the Fund and no person shall be eligible to 13 become a trustee after January 1, 1979 who does not have at 14 least 8 years of creditable service.

15 (b) The board shall consist of representatives of various 16 groups as follows:

Four 4 trustees shall be a chief executive officer,
 chief finance officer, or other officer, executive or
 department head of a participating municipality or
 participating instrumentality, and each such trustee shall
 be designated as an executive trustee.

22 2. <u>Three</u> 3 trustees shall be employees of a 23 participating municipality or participating 24 instrumentality <u>(but not a county sheriff or SLEP)</u>, and 25 each such trustee shall be designated as an employee 26 trustee.

27 <u>3. One trustee shall be a county sheriff, who shall be</u>
 28 <u>designated the sheriff trustee.</u>

294. One trustee shall be a sheriff's law enforcement30employee (SLEP), who shall be designated the SLEP trustee.

31 <u>5.</u> 3. One trustee shall be an annuitant of the Fund,
 32 who shall be designated the annuitant trustee.

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1 (c) A person elected as a trustee shall qualify as a 2 trustee, after declaration by the board that he has been duly 3 elected, upon taking and subscribing to the constitutional oath 4 of office and filing same in the office of the Fund.

5 (d) The term of office of each trustee shall begin upon 6 January 1 of the year following the year in which he is elected 7 and shall continue for a period of 5 years and until a 8 successor has been elected and qualified, or until prior 9 resignation, death, incapacity or disqualification.

10 (e) Any elected trustee (other than the annuitant trustee) shall be 11 disqualified immediately upon termination of 12 employment with all participating municipalities and 13 instrumentalities thereof or upon any change in status which removes any such trustee from all employments within the group 14 15 he represents. The annuitant trustee shall be disqualified upon 16 termination of his or her annuity.

(f) The trustees shall fill any vacancy in the board by appointment, for the period until the next election of trustees, or, if the remaining term is less than 2 years, for the remainder of the term, and until his successor has been elected and qualified.

(g) Trustees shall serve without compensation, but shall be reimbursed for any reasonable expenses incurred in attending meetings of the board and in performing duties on behalf of the Fund and for the amount of any earnings withheld by any employing municipality or participating instrumentality because of attendance at any board meeting.

(h) Each trustee other than the annuitant trustee shall be 28 entitled to one vote on any and all actions before the board; 29 30 the annuitant trustee is not entitled to vote on any matter. At 31 <u>least 5</u> least 4 concurring votes shall be necessary for every 32 decision or action by the board at any of its meetings. No decision or action shall become effective unless presented and 33 so approved at a regular or duly called special meeting of the 34 35 board.

36 (Source: P.A. 89-136, eff. 7-14-95.)

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(40 ILCS 5/7-175) (from Ch. 108 1/2, par. 7-175)

Sec. 7-175. Board elections.

(a) During the period beginning on August 1 and ending on
September 15 of each year, the board shall accept nominations
of candidates for election to the trusteeships for terms
beginning the next January 1, <u>including any</u> new trusteeships or
vacancies to be filled by election.

8 (b) All nominations shall be by petition. Three petitions 9 for an executive trustee shall be signed by governing bodies of 10 contributing participating municipalities or 11 instrumentalities.

A petition for an employee trustee shall be signed by at least 350 participating employees who were participants during July of the current year and who, if their employment status remained unchanged, would be eligible to vote for <u>the</u> such candidate at the following election.

A petition for a sheriff trustee shall be signed by at least 10 participating employees who were participants during July of the current year and who, if their employment status remained unchanged, would be eligible to vote for the candidate at the following election.

A petition for a SLEP trustee shall be signed by at least 50 participating employees who were participants during July of the current year and who, if their employment status remained unchanged, would be eligible to vote for the candidate at the following election.

A petition for an annuitant trustee shall be signed by at least 100 persons who were annuitants of the Fund during July of the current year and who, if their annuitant status remains unchanged, would be eligible to vote for the candidate at the following election.

32 (c) A separate ballot shall be used for each class of 33 trustee and the names of all candidates properly nominated in 34 petitions received by the board shall be placed in alphabetical 35 order upon the proper ballot. Where two employee trustees are - 4 - LRB094 05359 EFG 35404 b

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elected to a full term in the same year, there shall be one election for the two trusteeships and the two candidates getting the highest number of votes shall be elected.

At any election, each contributing participating 4 (d) 5 municipality and participating instrumentality and each 6 contributing participating employee employed by such participating municipality or participating instrumentality 7 during September of any year $_{\overline{r}}$ shall be entitled to vote as 8 9 follows:

10 1. The governing body of each such participating 11 municipality and participating instrumentality shall have 12 one vote at any election in which an executive trustee is 13 to be elected, and may cast <u>that</u> such vote for any 14 candidate on the executive trustee ballot.

15 2. Each participating employee <u>(other than a county</u>
16 <u>sheriff or SLEP</u>) shall have one vote at any election in
17 which an employee trustee is to be elected, and may cast
18 <u>that such</u> vote for any candidate on the employee trustee
19 ballot.

3. Each county sheriff who participates in the Fund shall have one vote at any election in which a sheriff trustee is to be elected, and may cast that vote for any candidate on the sheriff trustee ballot.

244. Each SLEP who participates in the Fund shall have25one vote at any election in which a SLEP trustee is to be26elected, and may cast that vote for any candidate on the27SLEP trustee ballot.

28 <u>5.</u> 3. Each annuitant of the Fund shall have one vote at 29 any election in which an annuitant trustee is to be 30 elected, and may cast that vote for any candidate on the 31 annuitant trustee ballot.

32 <u>6.</u> 4. A vote may be cast for a person not on the ballot
33 by writing in his or her name.

34 (e) The election shall be by ballot pursuant to the rules
35 and regulations established by the board and shall be completed
36 by December 31 of the year. The results shall be entered in the

- 5 - LRB094 05359 EFG 35404 b HB2376 minutes of the meeting of the board following the tally of 1 2 votes. 3 (f) In case of a tie vote, the candidate employed by or retired from the participating municipality or participating 4 5 instrumentality having the greatest number of participating 6 employees at the time shall be elected. 7 (Source: P.A. 89-136, eff. 7-14-95.)

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