



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4904

by Rep. Mark H. Beaubien, Jr.

SYNOPSIS AS INTRODUCED:

See Index

Amends the Pension Impact Note Act. Requires that a pension impact note for legislation affecting downstate police and downstate firefighter pension funds must demonstrate the fiscal impact of the legislation on at least 25 municipalities with the pension funds. Amends the Property Tax Extension Limitation Law in the Property Tax Code. Exempts, from the definition of "aggregate extension", all contributions to a pension fund created under certain Articles of the Illinois Pension Code. Amends the Illinois Pension Code. Makes changes concerning prohibited transactions by fiduciaries of a pension fund established under the Downstate Police or Downstate Firefighter Article (Article 3 or 4), examinations of pension funds, and witnesses and adds provisions concerning consulting services, prohibitions on gifts for members of a board of trustees of a pension fund established under Article 3 or 4, fraudulent claims for disability pensions by police officers and firefighters, award of benefits, publication of a notice regarding the fiscal status of a pension fund established under Article 3 or 4, and a report by the Commission on Government Forecasting and Accountability on pension funds established under Article 3 or 4. Makes other changes. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB095 15674 AMC 41679 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

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 Pension Impact Note Act is amended by
5 changing Section 3 as follows:

6 (25 ILCS 55/3) (from Ch. 63, par. 42.43)

7 Sec. 3. Content of pension impact note.

8 (a) The pension impact note shall be factual in nature, as
9 brief and concise as may be (except as otherwise provided in
10 subsection (b)), and shall provide a reliable estimate of the
11 impact of the bill on any public pension systems to be effected
12 by it, in dollars where appropriate, and, in addition, it shall
13 include both the immediate effect and, if determinable or
14 reasonably foreseeable, the long range effect of the measure.
15 If, after careful investigation, it is determined that no
16 dollar estimate is possible, the note shall contain a statement
17 to that effect, setting forth the reasons why no dollar
18 estimate can be given. A brief summary or work sheet of
19 computations used in arriving at pension impact note figures
20 shall be included.

21 (b) The pension impact note for any legislation or
22 amendment that would result in an increase in benefits, a
23 modification of how benefits are disbursed, or increase costs

1 to a pension fund established under Article 3 or 4 of the
2 Illinois Pension Code must demonstrate the fiscal impact of the
3 legislation being considered on at least 25 municipalities with
4 such pension funds. Every 2 years, beginning with the year in
5 which this amendatory Act of the 95th General Assembly takes
6 effect, a statewide association representing municipalities
7 shall submit a list of 25 municipal funds to the Commission on
8 Government Forecasting and Accountability to be used for the
9 fulfillment of the requirements of this Section.

10 (Source: P.A. 79-1397.)

11 Section 10. The Property Tax Code is amended by changing
12 Section 18-185 as follows:

13 (35 ILCS 200/18-185)

14 Sec. 18-185. Short title; definitions. This Division 5 may
15 be cited as the Property Tax Extension Limitation Law. As used
16 in this Division 5:

17 "Consumer Price Index" means the Consumer Price Index for
18 All Urban Consumers for all items published by the United
19 States Department of Labor.

20 "Extension limitation" means (a) the lesser of 5% or the
21 percentage increase in the Consumer Price Index during the
22 12-month calendar year preceding the levy year or (b) the rate
23 of increase approved by voters under Section 18-205.

24 "Affected county" means a county of 3,000,000 or more

1 inhabitants or a county contiguous to a county of 3,000,000 or
2 more inhabitants.

3 "Taxing district" has the same meaning provided in Section
4 1-150, except as otherwise provided in this Section. For the
5 1991 through 1994 levy years only, "taxing district" includes
6 only each non-home rule taxing district having the majority of
7 its 1990 equalized assessed value within any county or counties
8 contiguous to a county with 3,000,000 or more inhabitants.
9 Beginning with the 1995 levy year, "taxing district" includes
10 only each non-home rule taxing district subject to this Law
11 before the 1995 levy year and each non-home rule taxing
12 district not subject to this Law before the 1995 levy year
13 having the majority of its 1994 equalized assessed value in an
14 affected county or counties. Beginning with the levy year in
15 which this Law becomes applicable to a taxing district as
16 provided in Section 18-213, "taxing district" also includes
17 those taxing districts made subject to this Law as provided in
18 Section 18-213.

19 "Aggregate extension" for taxing districts to which this
20 Law applied before the 1995 levy year means the annual
21 corporate extension for the taxing district and those special
22 purpose extensions that are made annually for the taxing
23 district, excluding special purpose extensions: (a) made for
24 the taxing district to pay interest or principal on general
25 obligation bonds that were approved by referendum; (b) made for
26 any taxing district to pay interest or principal on general

1 obligation bonds issued before October 1, 1991; (c) made for
2 any taxing district to pay interest or principal on bonds
3 issued to refund or continue to refund those bonds issued
4 before October 1, 1991; (d) made for any taxing district to pay
5 interest or principal on bonds issued to refund or continue to
6 refund bonds issued after October 1, 1991 that were approved by
7 referendum; (e) made for any taxing district to pay interest or
8 principal on revenue bonds issued before October 1, 1991 for
9 payment of which a property tax levy or the full faith and
10 credit of the unit of local government is pledged; however, a
11 tax for the payment of interest or principal on those bonds
12 shall be made only after the governing body of the unit of
13 local government finds that all other sources for payment are
14 insufficient to make those payments; (f) made for payments
15 under a building commission lease when the lease payments are
16 for the retirement of bonds issued by the commission before
17 October 1, 1991, to pay for the building project; (g) made for
18 payments due under installment contracts entered into before
19 October 1, 1991; (h) made for payments of principal and
20 interest on bonds issued under the Metropolitan Water
21 Reclamation District Act to finance construction projects
22 initiated before October 1, 1991; (i) made for payments of
23 principal and interest on limited bonds, as defined in Section
24 3 of the Local Government Debt Reform Act, in an amount not to
25 exceed the debt service extension base less the amount in items
26 (b), (c), (e), and (h) of this definition for non-referendum

1 obligations, except obligations initially issued pursuant to
2 referendum; (j) made for payments of principal and interest on
3 bonds issued under Section 15 of the Local Government Debt
4 Reform Act; (k) made by a school district that participates in
5 the Special Education District of Lake County, created by
6 special education joint agreement under Section 10-22.31 of the
7 School Code, for payment of the school district's share of the
8 amounts required to be contributed by the Special Education
9 District of Lake County to the Illinois Municipal Retirement
10 Fund under Article 7 of the Illinois Pension Code; the amount
11 of any extension under this item (k) shall be certified by the
12 school district to the county clerk; (l) made to fund expenses
13 of providing joint recreational programs for the handicapped
14 under Section 5-8 of the Park District Code or Section 11-95-14
15 of the Illinois Municipal Code; (m) made for temporary
16 relocation loan repayment purposes pursuant to Sections 2-3.77
17 and 17-2.2d of the School Code; (n) made for payment of
18 principal and interest on any bonds issued under the authority
19 of Section 17-2.2d of the School Code; and (o) made for
20 contributions to a ~~firefighter's~~ pension fund created under
21 Article 3, Article 4, or Article 7 of the Illinois Pension
22 Code, ~~to the extent of the amount certified under item (5) of~~
23 ~~Section 4-134 of the Illinois Pension Code.~~

24 "Aggregate extension" for the taxing districts to which
25 this Law did not apply before the 1995 levy year (except taxing
26 districts subject to this Law in accordance with Section

1 18-213) means the annual corporate extension for the taxing
2 district and those special purpose extensions that are made
3 annually for the taxing district, excluding special purpose
4 extensions: (a) made for the taxing district to pay interest or
5 principal on general obligation bonds that were approved by
6 referendum; (b) made for any taxing district to pay interest or
7 principal on general obligation bonds issued before March 1,
8 1995; (c) made for any taxing district to pay interest or
9 principal on bonds issued to refund or continue to refund those
10 bonds issued before March 1, 1995; (d) made for any taxing
11 district to pay interest or principal on bonds issued to refund
12 or continue to refund bonds issued after March 1, 1995 that
13 were approved by referendum; (e) made for any taxing district
14 to pay interest or principal on revenue bonds issued before
15 March 1, 1995 for payment of which a property tax levy or the
16 full faith and credit of the unit of local government is
17 pledged; however, a tax for the payment of interest or
18 principal on those bonds shall be made only after the governing
19 body of the unit of local government finds that all other
20 sources for payment are insufficient to make those payments;
21 (f) made for payments under a building commission lease when
22 the lease payments are for the retirement of bonds issued by
23 the commission before March 1, 1995 to pay for the building
24 project; (g) made for payments due under installment contracts
25 entered into before March 1, 1995; (h) made for payments of
26 principal and interest on bonds issued under the Metropolitan

1 Water Reclamation District Act to finance construction
2 projects initiated before October 1, 1991; (h-4) made for
3 stormwater management purposes by the Metropolitan Water
4 Reclamation District of Greater Chicago under Section 12 of the
5 Metropolitan Water Reclamation District Act; (i) made for
6 payments of principal and interest on limited bonds, as defined
7 in Section 3 of the Local Government Debt Reform Act, in an
8 amount not to exceed the debt service extension base less the
9 amount in items (b), (c), and (e) of this definition for
10 non-referendum obligations, except obligations initially
11 issued pursuant to referendum and bonds described in subsection
12 (h) of this definition; (j) made for payments of principal and
13 interest on bonds issued under Section 15 of the Local
14 Government Debt Reform Act; (k) made for payments of principal
15 and interest on bonds authorized by Public Act 88-503 and
16 issued under Section 20a of the Chicago Park District Act for
17 aquarium or museum projects; (l) made for payments of principal
18 and interest on bonds authorized by Public Act 87-1191 or
19 93-601 and (i) issued pursuant to Section 21.2 of the Cook
20 County Forest Preserve District Act, (ii) issued under Section
21 42 of the Cook County Forest Preserve District Act for
22 zoological park projects, or (iii) issued under Section 44.1 of
23 the Cook County Forest Preserve District Act for botanical
24 gardens projects; (m) made pursuant to Section 34-53.5 of the
25 School Code, whether levied annually or not; (n) made to fund
26 expenses of providing joint recreational programs for the

1 handicapped under Section 5-8 of the Park District Code or
2 Section 11-95-14 of the Illinois Municipal Code; (o) made by
3 the Chicago Park District for recreational programs for the
4 handicapped under subsection (c) of Section 7.06 of the Chicago
5 Park District Act; (p) made for contributions to a
6 firefighter's pension fund created under Article 4 of the
7 Illinois Pension Code, to the extent of the amount certified
8 under item (5) of Section 4-134 of the Illinois Pension Code;
9 and (q) made by Ford Heights School District 169 under Section
10 17-9.02 of the School Code.

11 "Aggregate extension" for all taxing districts to which
12 this Law applies in accordance with Section 18-213, except for
13 those taxing districts subject to paragraph (2) of subsection
14 (e) of Section 18-213, means the annual corporate extension for
15 the taxing district and those special purpose extensions that
16 are made annually for the taxing district, excluding special
17 purpose extensions: (a) made for the taxing district to pay
18 interest or principal on general obligation bonds that were
19 approved by referendum; (b) made for any taxing district to pay
20 interest or principal on general obligation bonds issued before
21 the date on which the referendum making this Law applicable to
22 the taxing district is held; (c) made for any taxing district
23 to pay interest or principal on bonds issued to refund or
24 continue to refund those bonds issued before the date on which
25 the referendum making this Law applicable to the taxing
26 district is held; (d) made for any taxing district to pay

1 interest or principal on bonds issued to refund or continue to
2 refund bonds issued after the date on which the referendum
3 making this Law applicable to the taxing district is held if
4 the bonds were approved by referendum after the date on which
5 the referendum making this Law applicable to the taxing
6 district is held; (e) made for any taxing district to pay
7 interest or principal on revenue bonds issued before the date
8 on which the referendum making this Law applicable to the
9 taxing district is held for payment of which a property tax
10 levy or the full faith and credit of the unit of local
11 government is pledged; however, a tax for the payment of
12 interest or principal on those bonds shall be made only after
13 the governing body of the unit of local government finds that
14 all other sources for payment are insufficient to make those
15 payments; (f) made for payments under a building commission
16 lease when the lease payments are for the retirement of bonds
17 issued by the commission before the date on which the
18 referendum making this Law applicable to the taxing district is
19 held to pay for the building project; (g) made for payments due
20 under installment contracts entered into before the date on
21 which the referendum making this Law applicable to the taxing
22 district is held; (h) made for payments of principal and
23 interest on limited bonds, as defined in Section 3 of the Local
24 Government Debt Reform Act, in an amount not to exceed the debt
25 service extension base less the amount in items (b), (c), and
26 (e) of this definition for non-referendum obligations, except

1 obligations initially issued pursuant to referendum; (i) made
2 for payments of principal and interest on bonds issued under
3 Section 15 of the Local Government Debt Reform Act; (j) made
4 for a qualified airport authority to pay interest or principal
5 on general obligation bonds issued for the purpose of paying
6 obligations due under, or financing airport facilities
7 required to be acquired, constructed, installed or equipped
8 pursuant to, contracts entered into before March 1, 1996 (but
9 not including any amendments to such a contract taking effect
10 on or after that date); (k) made to fund expenses of providing
11 joint recreational programs for the handicapped under Section
12 5-8 of the Park District Code or Section 11-95-14 of the
13 Illinois Municipal Code; and (l) made for contributions to a
14 ~~firefighter's~~ pension fund created under Article 3, Article 4,
15 or Article 7 of the Illinois Pension Code, ~~to the extent of the~~
16 ~~amount certified under item (5) of Section 4-134 of the~~
17 ~~Illinois Pension Code.~~

18 "Aggregate extension" for all taxing districts to which
19 this Law applies in accordance with paragraph (2) of subsection
20 (e) of Section 18-213 means the annual corporate extension for
21 the taxing district and those special purpose extensions that
22 are made annually for the taxing district, excluding special
23 purpose extensions: (a) made for the taxing district to pay
24 interest or principal on general obligation bonds that were
25 approved by referendum; (b) made for any taxing district to pay
26 interest or principal on general obligation bonds issued before

1 the effective date of this amendatory Act of 1997; (c) made for
2 any taxing district to pay interest or principal on bonds
3 issued to refund or continue to refund those bonds issued
4 before the effective date of this amendatory Act of 1997; (d)
5 made for any taxing district to pay interest or principal on
6 bonds issued to refund or continue to refund bonds issued after
7 the effective date of this amendatory Act of 1997 if the bonds
8 were approved by referendum after the effective date of this
9 amendatory Act of 1997; (e) made for any taxing district to pay
10 interest or principal on revenue bonds issued before the
11 effective date of this amendatory Act of 1997 for payment of
12 which a property tax levy or the full faith and credit of the
13 unit of local government is pledged; however, a tax for the
14 payment of interest or principal on those bonds shall be made
15 only after the governing body of the unit of local government
16 finds that all other sources for payment are insufficient to
17 make those payments; (f) made for payments under a building
18 commission lease when the lease payments are for the retirement
19 of bonds issued by the commission before the effective date of
20 this amendatory Act of 1997 to pay for the building project;
21 (g) made for payments due under installment contracts entered
22 into before the effective date of this amendatory Act of 1997;
23 (h) made for payments of principal and interest on limited
24 bonds, as defined in Section 3 of the Local Government Debt
25 Reform Act, in an amount not to exceed the debt service
26 extension base less the amount in items (b), (c), and (e) of

1 this definition for non-referendum obligations, except
2 obligations initially issued pursuant to referendum; (i) made
3 for payments of principal and interest on bonds issued under
4 Section 15 of the Local Government Debt Reform Act; (j) made
5 for a qualified airport authority to pay interest or principal
6 on general obligation bonds issued for the purpose of paying
7 obligations due under, or financing airport facilities
8 required to be acquired, constructed, installed or equipped
9 pursuant to, contracts entered into before March 1, 1996 (but
10 not including any amendments to such a contract taking effect
11 on or after that date); (k) made to fund expenses of providing
12 joint recreational programs for the handicapped under Section
13 5-8 of the Park District Code or Section 11-95-14 of the
14 Illinois Municipal Code; and (l) made for contributions to a
15 ~~firefighter's~~ pension fund created under Article 3, Article 4,
16 or Article 7 of the Illinois Pension Code, ~~to the extent of the~~
17 ~~amount certified under item (5) of Section 4-134 of the~~
18 ~~Illinois Pension Code.~~

19 "Debt service extension base" means an amount equal to that
20 portion of the extension for a taxing district for the 1994
21 levy year, or for those taxing districts subject to this Law in
22 accordance with Section 18-213, except for those subject to
23 paragraph (2) of subsection (e) of Section 18-213, for the levy
24 year in which the referendum making this Law applicable to the
25 taxing district is held, or for those taxing districts subject
26 to this Law in accordance with paragraph (2) of subsection (e)

1 of Section 18-213 for the 1996 levy year, constituting an
2 extension for payment of principal and interest on bonds issued
3 by the taxing district without referendum, but not including
4 excluded non-referendum bonds. For park districts (i) that were
5 first subject to this Law in 1991 or 1995 and (ii) whose
6 extension for the 1994 levy year for the payment of principal
7 and interest on bonds issued by the park district without
8 referendum (but not including excluded non-referendum bonds)
9 was less than 51% of the amount for the 1991 levy year
10 constituting an extension for payment of principal and interest
11 on bonds issued by the park district without referendum (but
12 not including excluded non-referendum bonds), "debt service
13 extension base" means an amount equal to that portion of the
14 extension for the 1991 levy year constituting an extension for
15 payment of principal and interest on bonds issued by the park
16 district without referendum (but not including excluded
17 non-referendum bonds). The debt service extension base may be
18 established or increased as provided under Section 18-212.
19 "Excluded non-referendum bonds" means (i) bonds authorized by
20 Public Act 88-503 and issued under Section 20a of the Chicago
21 Park District Act for aquarium and museum projects; (ii) bonds
22 issued under Section 15 of the Local Government Debt Reform
23 Act; or (iii) refunding obligations issued to refund or to
24 continue to refund obligations initially issued pursuant to
25 referendum.

26 "Special purpose extensions" include, but are not limited

1 to, extensions for levies made on an annual basis for
2 unemployment and workers' compensation, self-insurance,
3 contributions to pension plans, and extensions made pursuant to
4 Section 6-601 of the Illinois Highway Code for a road
5 district's permanent road fund whether levied annually or not.
6 The extension for a special service area is not included in the
7 aggregate extension.

8 "Aggregate extension base" means the taxing district's
9 last preceding aggregate extension as adjusted under Sections
10 18-135, 18-215, and 18-230. An adjustment under Section 18-135
11 shall be made for the 2007 levy year and all subsequent levy
12 years whenever one or more counties within which a taxing
13 district is located (i) used estimated valuations or rates when
14 extending taxes in the taxing district for the last preceding
15 levy year that resulted in the over or under extension of
16 taxes, or (ii) increased or decreased the tax extension for the
17 last preceding levy year as required by Section 18-135(c).
18 Whenever an adjustment is required under Section 18-135, the
19 aggregate extension base of the taxing district shall be equal
20 to the amount that the aggregate extension of the taxing
21 district would have been for the last preceding levy year if
22 either or both (i) actual, rather than estimated, valuations or
23 rates had been used to calculate the extension of taxes for the
24 last levy year, or (ii) the tax extension for the last
25 preceding levy year had not been adjusted as required by
26 subsection (c) of Section 18-135.

1 "Levy year" has the same meaning as "year" under Section
2 1-155.

3 "New property" means (i) the assessed value, after final
4 board of review or board of appeals action, of new improvements
5 or additions to existing improvements on any parcel of real
6 property that increase the assessed value of that real property
7 during the levy year multiplied by the equalization factor
8 issued by the Department under Section 17-30, (ii) the assessed
9 value, after final board of review or board of appeals action,
10 of real property not exempt from real estate taxation, which
11 real property was exempt from real estate taxation for any
12 portion of the immediately preceding levy year, multiplied by
13 the equalization factor issued by the Department under Section
14 17-30, including the assessed value, upon final stabilization
15 of occupancy after new construction is complete, of any real
16 property located within the boundaries of an otherwise or
17 previously exempt military reservation that is intended for
18 residential use and owned by or leased to a private corporation
19 or other entity, and (iii) in counties that classify in
20 accordance with Section 4 of Article IX of the Illinois
21 Constitution, an incentive property's additional assessed
22 value resulting from a scheduled increase in the level of
23 assessment as applied to the first year final board of review
24 market value. In addition, the county clerk in a county
25 containing a population of 3,000,000 or more shall include in
26 the 1997 recovered tax increment value for any school district,

1 any recovered tax increment value that was applicable to the
2 1995 tax year calculations.

3 "Qualified airport authority" means an airport authority
4 organized under the Airport Authorities Act and located in a
5 county bordering on the State of Wisconsin and having a
6 population in excess of 200,000 and not greater than 500,000.

7 "Recovered tax increment value" means, except as otherwise
8 provided in this paragraph, the amount of the current year's
9 equalized assessed value, in the first year after a
10 municipality terminates the designation of an area as a
11 redevelopment project area previously established under the
12 Tax Increment Allocation Development Act in the Illinois
13 Municipal Code, previously established under the Industrial
14 Jobs Recovery Law in the Illinois Municipal Code, previously
15 established under the Economic Development Project Area Tax
16 Increment Act of 1995, or previously established under the
17 Economic Development Area Tax Increment Allocation Act, of each
18 taxable lot, block, tract, or parcel of real property in the
19 redevelopment project area over and above the initial equalized
20 assessed value of each property in the redevelopment project
21 area. For the taxes which are extended for the 1997 levy year,
22 the recovered tax increment value for a non-home rule taxing
23 district that first became subject to this Law for the 1995
24 levy year because a majority of its 1994 equalized assessed
25 value was in an affected county or counties shall be increased
26 if a municipality terminated the designation of an area in 1993

1 as a redevelopment project area previously established under
2 the Tax Increment Allocation Development Act in the Illinois
3 Municipal Code, previously established under the Industrial
4 Jobs Recovery Law in the Illinois Municipal Code, or previously
5 established under the Economic Development Area Tax Increment
6 Allocation Act, by an amount equal to the 1994 equalized
7 assessed value of each taxable lot, block, tract, or parcel of
8 real property in the redevelopment project area over and above
9 the initial equalized assessed value of each property in the
10 redevelopment project area. In the first year after a
11 municipality removes a taxable lot, block, tract, or parcel of
12 real property from a redevelopment project area established
13 under the Tax Increment Allocation Development Act in the
14 Illinois Municipal Code, the Industrial Jobs Recovery Law in
15 the Illinois Municipal Code, or the Economic Development Area
16 Tax Increment Allocation Act, "recovered tax increment value"
17 means the amount of the current year's equalized assessed value
18 of each taxable lot, block, tract, or parcel of real property
19 removed from the redevelopment project area over and above the
20 initial equalized assessed value of that real property before
21 removal from the redevelopment project area.

22 Except as otherwise provided in this Section, "limiting
23 rate" means a fraction the numerator of which is the last
24 preceding aggregate extension base times an amount equal to one
25 plus the extension limitation defined in this Section and the
26 denominator of which is the current year's equalized assessed

1 value of all real property in the territory under the
2 jurisdiction of the taxing district during the prior levy year.
3 For those taxing districts that reduced their aggregate
4 extension for the last preceding levy year, the highest
5 aggregate extension in any of the last 3 preceding levy years
6 shall be used for the purpose of computing the limiting rate.
7 The denominator shall not include new property or the recovered
8 tax increment value. If a new rate, a rate decrease, or a
9 limiting rate increase has been approved at an election held
10 after March 21, 2006, then (i) the otherwise applicable
11 limiting rate shall be increased by the amount of the new rate
12 or shall be reduced by the amount of the rate decrease, as the
13 case may be, or (ii) in the case of a limiting rate increase,
14 the limiting rate shall be equal to the rate set forth in the
15 proposition approved by the voters for each of the years
16 specified in the proposition, after which the limiting rate of
17 the taxing district shall be calculated as otherwise provided.
18 (Source: P.A. 94-974, eff. 6-30-06; 94-976, eff. 6-30-06;
19 94-1078, eff. 1-9-07; 95-90, eff. 1-1-08; 95-331, eff. 8-21-07;
20 95-404, eff. 1-1-08; revised 11-2-07.)

21 Section 15. The Illinois Pension Code is amended by
22 changing Sections 1-110, 1-113.5, 1A-104, 1A-112, 1-113.5,
23 3-115, 3-136, 4-112, and 4-123.1 and by adding Sections 1-125,
24 3-141.1, 3-143.1, 3-146, 3-151, 4-130.1, 4-134.1, 4-136,
25 22-1004 as follows:

1 (40 ILCS 5/1-110) (from Ch. 108 1/2, par. 1-110)

2 Sec. 1-110. Prohibited Transactions.

3 (a) A fiduciary with respect to a retirement system or
4 pension fund shall not cause the retirement system or pension
5 fund to engage in a transaction if he or she knows or should
6 know that such transaction constitutes a direct or indirect:

7 (1) Sale or exchange, or leasing of any property from
8 the retirement system or pension fund to a party in
9 interest for less than adequate consideration, or from a
10 party in interest to a retirement system or pension fund
11 for more than adequate consideration.

12 (2) Lending of money or other extension of credit from
13 the retirement system or pension fund to a party in
14 interest without the receipt of adequate security and a
15 reasonable rate of interest, or from a party in interest to
16 a retirement system or pension fund with the provision of
17 excessive security or an unreasonably high rate of
18 interest.

19 (3) Furnishing of goods, services or facilities from
20 the retirement system or pension fund to a party in
21 interest for less than adequate consideration, or from a
22 party in interest to a retirement system or pension fund
23 for more than adequate consideration.

24 (4) Transfer to, or use by or for the benefit of, a
25 party in interest of any assets of a retirement system or

1 pension fund for less than adequate consideration.

2 (b) A fiduciary with respect to a retirement system or
3 pension fund established under this Code shall not:

4 (1) Deal with the assets of the retirement system or
5 pension fund in his own interest or for his own account;

6 (2) In his individual or any other capacity act in any
7 transaction involving the retirement system or pension
8 fund on behalf of a party whose interests are adverse to
9 the interests of the retirement system or pension fund or
10 the interests of its participants or beneficiaries; or

11 (3) Receive any consideration for his own personal
12 account from any party dealing with the retirement system
13 or pension fund in connection with a transaction involving
14 the assets of the retirement system or pension fund.

15 (c) Nothing in this Section shall be construed to prohibit
16 any trustee from:

17 (1) Receiving any benefit to which he may be entitled
18 as a participant or beneficiary in the retirement system or
19 pension fund.

20 (2) Receiving any reimbursement of expenses properly
21 and actually incurred in the performance of his duties with
22 the retirement system or pension fund.

23 (3) Serving as a trustee in addition to being an
24 officer, employee, agent or other representative of a party
25 in interest.

26 (d) A fiduciary of a pension fund established under Article

1 3 or 4 shall not knowingly cause or advise the pension fund to
2 engage in an investment transaction when the fiduciary (i) has
3 any direct interest in the income, gains, or profits of the
4 investment advisor through which the investment transaction is
5 made or (ii) has a business relationship with that investment
6 advisor that would result in a pecuniary benefit to the
7 fiduciary as a result of the investment transaction.

8 Violation of this subsection (d) is a Class 4 felony.

9 (Source: P.A. 88-535.)

10 (40 ILCS 5/1-113.5)

11 Sec. 1-113.5. Investment advisers and investment services.

12 (a) The board of trustees of a pension fund may appoint
13 investment advisers as defined in Section 1-101.4. The board of
14 any pension fund investing in common or preferred stock under
15 Section 1-113.4 shall appoint an investment adviser before
16 making such investments.

17 The investment adviser shall be a fiduciary, as defined in
18 Section 1-101.2, with respect to the pension fund and shall be
19 one of the following:

20 (1) an investment adviser registered under the federal
21 Investment Advisers Act of 1940 and the Illinois Securities
22 Law of 1953;

23 (2) a bank or trust company authorized to conduct a
24 trust business in Illinois;

25 (3) a life insurance company authorized to transact

1 business in Illinois; or

2 (4) an investment company as defined and registered
3 under the federal Investment Company Act of 1940 and
4 registered under the Illinois Securities Law of 1953.

5 (a-5) Notwithstanding any other provision of law, a person
6 or entity that provides consulting services (referred to as a
7 "consultant" in this Section) to a pension fund with respect to
8 the selection of fiduciaries may not be awarded a contract to
9 provide those consulting services that is more than 5 years in
10 duration. No contract to provide such consulting services may
11 be renewed or extended. At the end of the term of a contract,
12 however, the contractor is eligible to compete for a new
13 contract. No person shall attempt to avoid or contravene the
14 restrictions of this subsection by any means. All offers from
15 responsive offerors shall be accompanied by disclosure of the
16 names and addresses of the following:

17 (1) The offeror.

18 (2) Any entity that is a parent of, or owns a
19 controlling interest in, the offeror.

20 (3) Any entity that is a subsidiary of, or in which a
21 controlling interest is owned by, the offeror.

22 Beginning on July 1, 2008, a person, other than a trustee
23 or an employee of a pension fund or retirement system, may not
24 act as a consultant under this Section unless that person is at
25 least one of the following: (i) registered as an investment
26 adviser under the federal Investment Advisers Act of 1940 (15

1 U.S.C. 80b-1, et seq.); (ii) registered as an investment
2 adviser under the Illinois Securities Law of 1953; (iii) a
3 bank, as defined in the Investment Advisers Act of 1940; or
4 (iv) an insurance company authorized to transact business in
5 this State.

6 (b) All investment advice and services provided by an
7 investment adviser or a consultant appointed under this Section
8 shall be rendered pursuant to a written contract between the
9 investment adviser and the board, and in accordance with the
10 board's investment policy.

11 The contract shall include all of the following:

12 (1) acknowledgement in writing by the investment
13 adviser that he or she is a fiduciary with respect to the
14 pension fund;

15 (2) the board's investment policy;

16 (3) full disclosure of direct and indirect fees,
17 commissions, penalties, and any other compensation that
18 may be received by the investment adviser, including
19 reimbursement for expenses; and

20 (4) a requirement that the investment adviser submit
21 periodic written reports, on at least a quarterly basis,
22 for the board's review at its regularly scheduled meetings.
23 All returns on investment shall be reported as net returns
24 after payment of all fees, commissions, and any other
25 compensation.

26 (b-5) Each contract described in subsection (b) shall also

1 include (i) full disclosure of direct and indirect fees,
2 commissions, penalties, and other compensation, including
3 reimbursement for expenses, that may be paid by or on behalf of
4 the investment adviser or consultant in connection with the
5 provision of services to the pension fund and (ii) a
6 requirement that the investment adviser or consultant update
7 the disclosure promptly after a modification of those payments
8 or an additional payment.

9 Within 30 days after the effective date of this amendatory
10 Act of the 95th General Assembly, each investment adviser and
11 consultant providing services on the effective date or subject
12 to an existing contract for the provision of services must
13 disclose to the board of trustees all direct and indirect fees,
14 commissions, penalties, and other compensation paid by or on
15 behalf of the investment adviser or consultant in connection
16 with the provision of those services and shall update that
17 disclosure promptly after a modification of those payments or
18 an additional payment.

19 A person required to make a disclosure under subsection (d)
20 is also required to disclose direct and indirect fees,
21 commissions, penalties, or other compensation that shall or may
22 be paid by or on behalf of the person in connection with the
23 rendering of those services. The person shall update the
24 disclosure promptly after a modification of those payments or
25 an additional payment.

26 The disclosures required by this subsection shall be in

1 writing and shall include the date and amount of each payment
2 and the name and address of each recipient of a payment.

3 (c) Within 30 days after appointing an investment adviser
4 or consultant, the board shall submit a copy of the contract to
5 the Division Department of Insurance of the Department of
6 Financial and Professional Regulation.

7 (d) Investment services provided by a person other than an
8 investment adviser appointed under this Section, including but
9 not limited to services provided by the kinds of persons listed
10 in items (1) through (4) of subsection (a), shall be rendered
11 only after full written disclosure of direct and indirect fees,
12 commissions, penalties, and any other compensation that shall
13 or may be received by the person rendering those services.

14 (e) The board of trustees of each pension fund shall retain
15 records of investment transactions in accordance with the rules
16 of the Department of Financial and Professional Regulation
17 Insurance.

18 (Source: P.A. 90-507, eff. 8-22-97.)

19 (40 ILCS 5/1-125 new)

20 Sec. 1-125. Prohibition on gifts.

21 (a) For the purposes of this Section:

22 (1) "Board" means (i) the board of trustees of a
23 pension fund created under Article 3 or 4 of this Code.

24 (2) "Gift" means a gift as defined in Section 1-5 of
25 the State Officials and Employees Ethics Act.

1 (3) "Prohibited source" is a person or entity who:

2 (i) is seeking official action (A) by the board or
3 (B) by a board member;

4 (ii) does business or seeks to do business (A) with
5 the board or (B) with a board member;

6 (iii) has interests that may be substantially
7 affected by the performance or non-performance of the
8 official duties of the board member; or

9 (iv) is registered or required to be registered
10 with the Secretary of State under the Lobbyist
11 Registration Act, except that an entity not otherwise a
12 prohibited source does not become a prohibited source
13 merely because a registered lobbyist is one of its
14 members or serves on its board of directors.

15 (b) No board member shall solicit or accept any gift from a
16 prohibited source or from an officer, agent, or employee of a
17 prohibited source. No prohibited source or officer, agent, or
18 employee of a prohibited source shall offer to a board member
19 or employee any gift.

20 (c) Violation of this Section is a Class A misdemeanor.

21 (40 ILCS 5/1A-104)

22 Sec. 1A-104. Examinations and investigations.

23 (a) The Division shall make periodic examinations and
24 investigations of all pension funds established under this Code
25 and maintained for the benefit of employees and officers of

1 governmental units in the State of Illinois. However, in lieu
2 of making an examination and investigation, the Division may
3 accept and rely upon a report of audit or examination of any
4 pension fund made by an independent certified public accountant
5 pursuant to the provisions of the Article of this Code
6 governing the pension fund. The acceptance of the report of
7 audit or examination does not bar the Division from making a
8 further audit, examination, and investigation if deemed
9 necessary by the Division.

10 The Department may implement a flexible system of
11 examinations under which it directs resources as it deems
12 necessary or appropriate. In consultation with the pension fund
13 being examined, the Division may retain attorneys, independent
14 actuaries, independent certified public accountants, and other
15 professionals and specialists as examiners, the cost of which
16 (except in the case of pension funds established under Article
17 3 or 4) shall be borne by the pension fund that is the subject
18 of the examination.

19 (b) The Division shall examine or investigate each pension
20 fund established under Article 3 or Article 4 of this Code. The
21 schedule of each examination shall be such that each fund shall
22 be examined once every 3 years.

23 Each examination shall include the following:

24 (1) an audit of financial transactions, investment
25 policies, and procedures;

26 (2) an examination of books, records, documents,

1 files, and other pertinent memoranda relating to
2 financial, statistical, and administrative operations;

3 (3) a review of policies and procedures maintained for
4 the administration and operation of the pension fund;

5 (4) a determination of whether or not full effect is
6 being given to the statutory provisions governing the
7 operation of the pension fund;

8 (5) a determination of whether or not the
9 administrative policies in force are in accord with the
10 purposes of the statutory provisions and effectively
11 protect and preserve the rights and equities of the
12 participants; ~~and~~

13 (6) a determination of whether or not proper financial
14 and statistical records have been established and adequate
15 documentary evidence is recorded and maintained in support
16 of the several types of annuity and benefit payments being
17 made; ~~and~~

18 (7) a determination of whether or not the calculations
19 made by the fund for the payment of all annuities and
20 benefits are accurate.

21 In addition, the Division may conduct investigations,
22 which shall be identified as such and which may include one or
23 more of the items listed in this subsection.

24 A copy of the report of examination or investigation as
25 prepared by the Division shall be submitted to the secretary of
26 the board of trustees of the pension fund examined or

1 investigated and to the chief executive officer of the
2 municipality. The Director, upon request, shall grant a hearing
3 to the officers or trustees of the pension fund or their duly
4 appointed representatives, upon any facts contained in the
5 report of examination. The hearing shall be conducted before
6 filing the report or making public any information contained in
7 the report. The Director may withhold the report from public
8 inspection for up to 60 days following the hearing.

9 (Source: P.A. 90-507, eff. 8-22-97.)

10 (40 ILCS 5/1A-112)

11 Sec. 1A-112. Fees.

12 (a) Every pension fund that is required to file an annual
13 statement under Section 1A-109 shall pay to the Department an
14 annual compliance fee. In the case of a pension fund under
15 Article 3 or 4 of this Code, the annual compliance fee shall be
16 0.02% (2 basis points) of the total assets of the pension fund,
17 as reported in the most current annual statement of the fund,
18 but not more than \$8,000. In the case of all other pension
19 funds and retirement systems, the annual compliance fee shall
20 be \$8,000.

21 (b) The annual compliance fee shall be due on June 30 for
22 the following State fiscal year, except that the fee payable in
23 1997 for fiscal year 1998 shall be due no earlier than 30 days
24 following the effective date of this amendatory Act of 1997.

25 (c) Any information obtained by the Division that is

1 available to the public under the Freedom of Information Act
2 and is either compiled in published form or maintained on a
3 computer processible medium shall be furnished upon the written
4 request of any applicant and the payment of a reasonable
5 information services fee established by the Director,
6 sufficient to cover the total cost to the Division of
7 compiling, processing, maintaining, and generating the
8 information. The information may be furnished by means of
9 published copy or on a computer processed or computer
10 processible medium.

11 No fee may be charged to any person for information that
12 the Division is required by law to furnish to that person.

13 (d) Except as otherwise provided in this Section, all fees
14 and penalties collected by the Department under this Code shall
15 be deposited into the Public Pension Regulation Fund.

16 (e) Fees collected under subsection (c) of this Section and
17 money collected under Section 1A-107 shall be deposited into
18 the Department's Statistical Services Revolving Fund and
19 credited to the account of the Public Pension Division. This
20 income shall be used exclusively for the purposes set forth in
21 Section 1A-107. Notwithstanding the provisions of Section
22 408.2 of the Illinois Insurance Code, no surplus funds
23 remaining in this account shall be deposited in the Insurance
24 Financial Regulation Fund. All money in this account that the
25 Director certifies is not needed for the purposes set forth in
26 Section 1A-107 of this Code shall be transferred to the Public

1 Pension Regulation Fund.

2 (f) Nothing in this Code prohibits the General Assembly
3 from appropriating funds from the General Revenue Fund to the
4 Department for the purpose of administering or enforcing this
5 Code.

6 (g) No transfers may be made from the Public Pension
7 Regulation Fund that would reduce the available resources in
8 the Fund.

9 (Source: P.A. 93-32, eff. 7-1-03.)

10 (40 ILCS 5/3-115) (from Ch. 108 1/2, par. 3-115)

11 Sec. 3-115. Certificate of disability.

12 (a) A disability pension shall not be paid unless there is
13 filed with the board certificates of the police officer's
14 disability, subscribed and sworn to by the police officer if
15 not under legal disability, or by a representative if the
16 officer is under legal disability, and by the police surgeon
17 (if there be one) and 3 practicing physicians selected by the
18 board. The board may require other evidence of disability.
19 Medical examination of a police officer retired for disability
20 shall be made at least once each year prior to attainment of
21 age 50, as verification of the continuance of disability for
22 service as a police officer. No examination shall be required
23 after age 50.

24 (b) It is unlawful for any police officer to do any of the
25 following:

1 (1) Intentionally present or cause to be presented any
2 false or fraudulent claim for disability pension.

3 (2) Intentionally make or cause to be made any false or
4 fraudulent material statement or material representation
5 for the purpose of obtaining a disability pension.

6 (3) Intentionally make or cause to be made any false or
7 fraudulent material statement in the course of an
8 investigation of fraud.

9 (4) Intentionally assist, abet, solicit, or conspire
10 with any person or other entity to commit any of the acts
11 set forth in this Section.

12 For the purposes of paragraphs (2), (3), and (4) of this
13 subsection (b), the term "statement" includes any writing,
14 notice, proof of injury, bill for services, hospital or doctor
15 records and reports, X-ray, or test results.

16 Any police officer violating this subsection (b) is guilty
17 of a Class 4 felony. Any police officer convicted of any
18 violation of this Section shall be ordered to pay complete
19 restitution to any entity so defrauded in addition to any fine
20 or sentence imposed as a result of the conviction.

21 Any person convicted of fraud related to a disability
22 pension pursuant to this subsection (b) shall be subject to the
23 penalties prescribed in the Criminal Code of 1961 and shall be
24 ineligible to receive or retain any compensation, disability,
25 or medical benefits as defined in this Act, the Workers'
26 Compensation Act, the Workers' Occupational Diseases Act, the

1 Line of Duty Compensation Act, and the Public Safety Employee
2 Benefits Act if the compensation, disability, or medical
3 benefits were owed or received as a result of fraud for which
4 the recipient of the compensation, disability, or medical
5 benefit was convicted. This subsection (b) applies to acts
6 occurring on or after the effective date of this amendatory Act
7 of the 95th General Assembly. Any person convicted of fraud who
8 knowingly obtains, attempts to obtain, or causes to be obtained
9 any benefits under this Code by the making of a false claim or
10 who knowingly misrepresents any material fact shall be civilly
11 liable to the payor of benefits or assignee in an amount equal
12 to 3 times the value of the benefits wrongfully obtained or
13 twice the value of the benefits attempted to be obtained, plus
14 reasonable attorney's fees and expenses incurred by the payor
15 or assignee who successfully brings a claim under this
16 subsection (b). This subsection (b) applies to acts occurring
17 on or after the effective date of this amendatory Act of the
18 95th General Assembly.

19 (Source: P.A. 83-1440.)

20 (40 ILCS 5/3-136) (from Ch. 108 1/2, par. 3-136)

21 Sec. 3-136. Witnesses. ~~To subpoena witnesses.~~

22 (a) To compel witnesses to attend and testify before it
23 upon all matters connected with the administration of this
24 Article, in the manner provided by law for the taking of
25 testimony in the circuit courts of this State. The president,

1 or any board member, may administer oaths to witnesses.

2 (b) If not otherwise a party to a hearing involving an
3 officer or member of the police department, the employer
4 municipality shall be permitted to appear as a matter of right.

5 (Source: P.A. 83-1440.)

6 (40 ILCS 5/3-141.1 new)

7 Sec. 3-141.1. Award of benefits. Unless the municipal
8 treasurer is already responsible for calculating the amount of
9 benefit payments expended from the Fund, no benefit shall be
10 awarded until the municipality, in a timely manner, reviews and
11 verifies all benefit calculations. The verification process
12 shall not exceed a period of 60 days.

13 (40 ILCS 5/3-143.1 new)

14 Sec. 3-143.1. Public notice; publication. At the end of
15 each fiscal year, the Board shall, at its own expense, publish
16 within a local newspaper of general circulation in the
17 municipality a notice that includes the fiscal status of the
18 pension fund, all amounts dispersed in benefits during the
19 fiscal year, and the total number of recipients who received or
20 are in receipt of the benefits. The information provided shall
21 at a minimum include (1) the assets of the fund along with
22 their current market value; (2) the amount of unfunded
23 liability carried by the fund, along with an actuarial
24 explanation of unfunded liability; (3) the actual investment

1 return experienced by the fund during the fiscal year; and (4)
2 the required tax levy actuarially recommended to meet the
3 financial obligations of the fund.

4 (40 ILCS 5/4-112) (from Ch. 108 1/2, par. 4-112)

5 Sec. 4-112. Determination of disability; restoration to
6 active service; disability cannot constitute cause for
7 discharge.

8 (a) A disability pension shall not be paid until disability
9 has been established by the board by examinations of the
10 firefighter at pension fund expense by 3 physicians selected by
11 the board and such other evidence as the board deems necessary.
12 The 3 physicians selected by the board need not agree as to the
13 existence of any disability or the nature and extent of a
14 disability. Medical examination of a firefighter receiving a
15 disability pension shall be made at least once each year prior
16 to attainment of age 50 in order to verify continuance of
17 disability. No examination shall be required after age 50. No
18 physical or mental disability that constitutes, in whole or in
19 part, the basis of an application for benefits under this
20 Article may be used, in whole or in part, by any municipality
21 or fire protection district employing firefighters, emergency
22 medical technicians, or paramedics as cause for discharge.

23 Upon satisfactory proof to the board that a firefighter on
24 the disability pension has recovered from disability, the board
25 shall terminate the disability pension. The firefighter shall

1 report to the marshal or chief of the fire department, who
2 shall thereupon order immediate reinstatement into active
3 service, and the municipality shall immediately return the
4 firefighter to its payroll, in the same rank or grade held at
5 the date he or she was placed on disability pension. If the
6 firefighter must file a civil action against the municipality
7 to enforce his or her mandated return to payroll under this
8 paragraph, then the firefighter is entitled to recovery of
9 reasonable court costs and attorney's fees.

10 (b) The firefighter shall be entitled to 10 days notice
11 before any hearing or meeting of the board at which the
12 question of his or her disability is to be considered, and
13 shall have the right to be present at any such hearing or
14 meeting, and to be represented by counsel; however, the board
15 shall not have any obligation to provide such fireman with
16 counsel.

17 (c) It is unlawful for any firefighter to do any of the
18 following:

19 (1) Intentionally present or cause to be presented any
20 false or fraudulent claim for disability pension.

21 (2) Intentionally make or cause to be made any false or
22 fraudulent material statement or material representation
23 for the purpose of obtaining a disability pension.

24 (3) Intentionally make or cause to be made any false or
25 fraudulent material statement in the course of an
26 investigation of fraud.

1 (4) Intentionally assist, abet, solicit, or conspire
2 with any person or other entity to commit any of the acts
3 set forth in this Section.

4 For the purposes of paragraphs (2), (3), and (4) of this
5 subsection (c), the term "statement" includes any writing,
6 notice, proof of injury, bill for services, hospital or doctor
7 records and reports, X-ray, or test results.

8 Any firefighter violating this subsection (c) is guilty of
9 a Class 4 felony. Any firefighter convicted of any violation of
10 this Section shall be ordered to pay complete restitution to
11 any entity so defrauded in addition to any fine or sentence
12 imposed as a result of the conviction.

13 Any person convicted of fraud related to a disability
14 pension pursuant to this subsection (c) shall be subject to the
15 penalties prescribed in the Criminal Code of 1961 and shall be
16 ineligible to receive or retain any compensation, disability,
17 or medical benefits as defined in this Act, the Workers'
18 Compensation Act, the Workers' Occupational Diseases Act, the
19 Line of Duty Compensation Act, and the Public Safety Employee
20 Benefits Act if the compensation, disability, or medical
21 benefits were owed or received as a result of fraud for which
22 the recipient of the compensation, disability, or medical
23 benefit was convicted. This subsection (c) applies to acts
24 occurring on or after the effective date of this amendatory Act
25 of the 95th General Assembly. Any person convicted of fraud who
26 knowingly obtains, attempts to obtain, or causes to be obtained

1 any benefits under this Code by the making of a false claim or
2 who knowingly misrepresents any material fact shall be civilly
3 liable to the payor of benefits or assignee in an amount equal
4 to 3 times the value of the benefits wrongfully obtained or
5 twice the value of the benefits attempted to be obtained, plus
6 reasonable attorney's fees and expenses incurred by the payor
7 or assignee who successfully brings a claim under this
8 subsection (c). This subsection (c) applies to acts occurring
9 on or after the effective date of this amendatory Act of the
10 95th General Assembly.

11 (Source: P.A. 95-681, eff. 10-11-07.)

12 (40 ILCS 5/4-123.1) (from Ch. 108 1/2, par. 4-123.1)

13 Sec. 4-123.1. Witnesses. ~~To subpoena witnesses.~~

14 (a) To compel witnesses to attend and testify before it
15 upon all matters connected with the administration of this
16 Article, in the manner provided by law for the taking of
17 testimony before the circuit court. The president, or any
18 member of the Board, may administer oaths to such witnesses.

19 (b) If not otherwise a party to a hearing involving an
20 officer or member of the fire department, the employer
21 municipality shall be permitted to appear as a matter of right.

22 (Source: P.A. 84-1039.)

23 (40 ILCS 5/4-130.1 new)

24 Sec. 4-130.1. Award of benefits. Unless the municipal

1 treasurer is already responsible for calculating the amount of
2 benefit payments expended from the Fund, no benefit shall be
3 awarded until the municipality, in a timely manner, reviews and
4 verifies all benefit calculations. The verification process
5 shall not exceed a period of 60 days.

6 (40 ILCS 5/4-134.1 new)

7 Sec. 4-134.1. Public notice; publication. At the end of
8 each fiscal year, the Board shall, at its own expense, publish
9 within a local newspaper of general circulation in the
10 municipality a notice that includes the fiscal status of the
11 pension fund, all amounts dispersed in benefits during the
12 fiscal year, and the total number of recipients who received or
13 are in receipt of the benefits. The information provided shall
14 at a minimum include (1) the assets of the fund along with
15 their current market value; (2) the amount of unfunded
16 liability carried by the fund, along with an actuarial
17 explanation of unfunded liability; (3) the actual investment
18 return experienced by the fund during the fiscal year; and (4)
19 the required tax levy actuarially recommended to meet the
20 financial obligations of the fund.

21 (40 ILCS 5/22-1004 new)

22 Sec. 22-1004. Report on Article 3 and 4 funds. Each odd
23 numbered year, the Commission on Government Forecasting and
24 Accountability shall analyze data submitted by the Public

1 Pension Division of the Illinois Department of Financial and
2 Professional Regulation pertaining to the pension systems
3 established under Article 3 and Article 4 of this Code. The
4 Commission shall issue a formal report during such years, the
5 content of which is, to the extent practicable, to be similar
6 in nature to that required under Section 22-1003. In addition
7 to providing aggregate analyses of both systems, the report
8 shall analyze the fiscal status and provide forecasting
9 projections for fifteen funds in each system. For purposes of
10 the analysis, a statewide association representing
11 municipalities shall submit a list of municipal funds to the
12 Commission.

13 Section 90. The State Mandates Act is amended by adding
14 Section 8.32 as follows:

15 (30 ILCS 805/8.32 new)

16 Sec. 8.32. Exempt mandate. Notwithstanding Sections 6 and 8
17 of this Act, no reimbursement by the State is required for the
18 implementation of any mandate created by this amendatory Act of
19 the 95th General Assembly.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.

1 INDEX
2 Statutes amended in order of appearance

3	25 ILCS 55/3	from Ch. 63, par. 42.43
4	35 ILCS 200/18-185	
5	40 ILCS 5/1-110	from Ch. 108 1/2, par. 1-110
6	40 ILCS 5/1-113.5	
7	40 ILCS 5/1-125 new	
8	40 ILCS 5/1A-104	
9	40 ILCS 5/1A-112	
10	40 ILCS 5/3-115	from Ch. 108 1/2, par. 3-115
11	40 ILCS 5/3-136	from Ch. 108 1/2, par. 3-136
12	40 ILCS 5/3-141.1 new	
13	40 ILCS 5/3-143.1 new	
14	40 ILCS 5/4-112	from Ch. 108 1/2, par. 4-112
15	40 ILCS 5/4-123.1	from Ch. 108 1/2, par. 4-123.1
16	40 ILCS 5/4-130.1 new	
17	40 ILCS 5/4-134.1 new	
18	40 ILCS 5/22-1004 new	
19	30 ILCS 805/8.32 new	