



Adopted in House Comm. on May 07, 2009

09600SB1705ham001

LRB096 09049 RPM 26358 a

1 AMENDMENT TO SENATE BILL 1705

2 AMENDMENT NO. _____. Amend Senate Bill 1705 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 4-108.6, 5-234, 6-153, 6-159, 6-210.1,
6 6-210.2, and 8-172.1 and by adding Sections 6-227, 6-228, and
7 9-121.18 as follows:

8 (40 ILCS 5/4-108.6 new)

9 Sec. 4-108.6. Transfer of creditable service to the
10 Firemen's Annuity and Benefit Fund of Chicago.

11 (a) Until January 1, 2010, any active member of the
12 Firemen's Annuity and Benefit Fund of Chicago may apply for
13 transfer of up to 10 years of creditable service accumulated in
14 any pension fund established under this Article to the
15 Firemen's Annuity and Benefit Fund of Chicago. Such creditable
16 service shall be transferred only upon payment by such pension

1 fund to the Firemen's Annuity and Benefit Fund of Chicago of an
2 amount equal to:

3 (1) the amounts accumulated to the credit of the
4 applicant on the books of the fund on the date of transfer;

5 (2) employer contributions in an amount equal to the
6 amount determined under subparagraph (1); and

7 (3) any interest paid by the applicant in order to
8 reinstate service.

9 Participation in such pension fund as to any credits
10 transferred under this Section shall terminate on the date of
11 transfer.

12 (b) An active member of the Firemen's Annuity and Benefit
13 Fund of Chicago applying for a transfer of creditable service
14 under subsection (a) may reinstate credits and creditable
15 service terminated upon receipt of a refund by payment to the
16 Firemen's Annuity and Benefit Fund of Chicago of the amount of
17 the refund with interest thereon at the actuarially assumed
18 rate, compounded annually, from the date of the refund to the
19 date of payment.

20 (40 ILCS 5/5-234) (from Ch. 108 1/2, par. 5-234)

21 Sec. 5-234. Transfer of credits.

22 (a) Any police officer who has at least 10 years of
23 creditable service in the Fund may transfer to this Fund
24 credits and creditable service accumulated under any other
25 pension fund or retirement system established under Article 8

1 or 12 of this Code, by making application and paying to the
2 Fund before January 1, 1990 the amount by which the employee
3 contributions that would have been required if he had
4 participated in this Fund during the period for which credit is
5 being transferred, plus interest, exceeds the amount actually
6 transferred from such other fund or system to this Fund under
7 item (1) of Section 8-226.5 or item (1) of Section 12-127.5.

8 (b) Any police officer who has at least 10 years of
9 creditable service in the Fund may transfer to this Fund up to
10 48 months of creditable service accumulated under Article 9 of
11 this Code as a correctional officer with the county department
12 of corrections prior to January 1, 1994, by making application
13 to the Fund within 6 months after the effective date of this
14 amendatory Act of the 96th General Assembly and by paying to
15 the Fund an amount to be determined by the Board, equal to (i)
16 the difference between the amount of employee and employer
17 contributions transferred to the Fund under Section 9-121.17
18 and the amounts that would have been contributed had such
19 contributions been made at the rates applicable to members of
20 this Fund, plus (ii) interest thereon at the actuarially
21 assumed rate for each year, compounded annually, from the date
22 of service to the date of payment.

23 (Source: P.A. 86-272.)

24 (40 ILCS 5/6-153) (from Ch. 108 1/2, par. 6-153)

25 Sec. 6-153. Proof of duty, occupational disease, or

1 ordinary disability shall be furnished to the Board by at least
2 one licensed and practicing physician appointed by the Board.
3 In cases where the Board requires the applicant to obtain a
4 second opinion, the applicant may select a physician from a
5 list of qualified licensed and practicing physicians which
6 shall be established and maintained by the board. The Board may
7 require other evidence of disability. A disabled fireman who is
8 receiving a duty, occupational disease, or ordinary disability
9 benefit shall be examined at least once a year or such longer
10 period as determined by the Board, by one or more licensed and
11 practicing physicians appointed by the board; however such
12 ~~annual~~ examination may be waived by the Board if the appointed
13 physician certifies in writing to the Board that the disability
14 of the fireman is of such a nature as to render him permanently
15 disabled and unable ever to return to service.

16 When the disability ceases, the Board shall discontinue
17 payment of the benefit and the fireman shall be returned to
18 service in his proper rank or grade.

19 (Source: P.A. 86-273.)

20 (40 ILCS 5/6-159) (from Ch. 108 1/2, par. 6-159)

21 Sec. 6-159. Refund - Re-entry into service - Repayment of
22 refund. A fireman who receives a refund, and who subsequently
23 re-enters the service, shall not thereafter receive, nor shall
24 his widow or parent or parents receive, any annuity, benefit or
25 pension under this Article unless he or his widow, or parent or

1 parents, repays the refund within 2 years after the date of
2 re-entry into service or by January 1, 2011 ~~2000~~, whichever is
3 later, with interest at the actuarially assumed rate ~~of 4% per~~
4 ~~annum~~, compounded annually, from the date the refund was
5 received to the date such amount is repaid. The change made in
6 this Section by this amendatory Act of 1995 applies without
7 regard to whether the fireman was in service on or after the
8 effective date of this amendatory Act of 1995.

9 A fireman who has failed to repay any refund due to the
10 Fund under this Article after re-entering service shall be
11 treated as a new employee and shall only receive service credit
12 from the date that he has re-entered service as a new employee.

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

14 (40 ILCS 5/6-210.1) (from Ch. 108 1/2, par. 6-210.1)

15 Sec. 6-210.1. Credit for former employment with the fire
16 department.

17 (a) Any fireman who (1) accumulated service credit in the
18 Article 8 fund for service as an employee of the Chicago Fire
19 Department and (2) has terminated that Article 8 service credit
20 and received a refund of contributions therefor, may establish
21 service credit in this Fund for all or any part of that period
22 of service under the Article 8 fund by making written
23 application to the Board by January 1, 2010 ~~2005~~ and paying to
24 this Fund (i) employee contributions based upon the actual
25 salary received and the rates in effect for members of this

1 Fund at the time of such service, plus (ii) the difference
2 between the amount of employer contributions transferred to the
3 Fund under Section 8-172.1 and the amounts equal to the
4 employer's normal cost of contributions had such contributions
5 been made at the rates in effect for members of this Fund at
6 the time of such service, plus (iii) interest thereon
7 calculated as follows:

8 (1) For applications received by the Board before July
9 14, 1995, interest shall be calculated on the amount of
10 employee contributions determined under item (i) above, at
11 the rate of 4% per annum, compounded annually, from the
12 date of termination of such service to the date of payment.

13 (2) For applications received by the Board on or after
14 July 14, 1995 but before the effective date of this
15 amendatory Act of the 96th General Assembly, interest shall
16 be calculated on the amount of employee contributions
17 determined under item (i) above, at the rate of 4% per
18 annum, compounded annually, from the first date of the
19 period for which credit is being established under this
20 subsection (a) to the date of payment.

21 (3) For applications received by the Board on or after
22 the effective date of this amendatory Act of the 96th
23 General Assembly, interest shall be calculated on the
24 amount of contributions determined under items (i) and (ii)
25 of this subsection (a), at the actuarially assumed rate for
26 each year, compounded annually, from the first date of the

1 period for which credit is being established under this
2 subsection (a) to the date of payment.

3 A fireman who (1) retired on or after January 16, 2004 and
4 on or before the effective date of this amendatory Act of the
5 93rd General Assembly and (2) files an application to establish
6 service credit under this subsection (a) before January 1,
7 2005, shall have his or her pension recalculated prospectively
8 to include the service credit established under this subsection
9 (a).

10 (b) A fireman who, at any time during the period 1970
11 through 1983, was an employee of the Chicago Fire Department
12 but did not participate in any pension fund subject to this
13 Code with respect to that employment may establish service
14 credit in this Fund for all or any part of that employment by
15 making written application to the Board by January 1, 2010 ~~2005~~
16 and paying to this Fund (i) employee contributions based upon
17 the actual salary received and the rates in effect for members
18 of this Fund at the time of that employment, plus (ii) the
19 amounts equal to the employer's normal cost of contributions
20 had such contributions been made at the rates in effect for
21 members of this Fund at the time of that employment, plus (iii)
22 interest thereon calculated at the actuarially assumed rate ~~of~~
23 ~~4% per annum~~, compounded annually, from the first date of the
24 employment for which credit is being established under this
25 subsection (b) to the date of payment.

26 (c) (Blank). ~~A fireman may pay the contributions required~~

1 ~~for service credit under this Section established on or after~~
2 ~~July 14, 1995 in the form of payroll deductions, in accordance~~
3 ~~with such procedures and limitations as may be established by~~
4 ~~Board rule and any applicable rules or ordinances of the~~
5 ~~employer.~~

6 (d) Employer contributions shall be transferred as
7 provided in Sections 6-210.2 and 8-172.1. The employer shall
8 not be responsible for making any additional employer
9 contributions for any credit established under this Section.

10 (Source: P.A. 93-654, eff. 1-16-04; 93-917, eff. 8-12-04.)

11 (40 ILCS 5/6-210.2)

12 Sec. 6-210.2. City contributions for paramedics.
13 Municipality credits computed and credited under Article 8 for
14 all firemen who (1) accumulated service credit in the Article 8
15 fund for service as a paramedic, (2) have terminated that
16 Article 8 service credit and received a refund of
17 contributions, and (3) are participants in this Article 6 fund
18 on the effective date of this amendatory Act of the 96th ~~93rd~~
19 General Assembly shall be transferred by the Article 8 fund to
20 this Fund, together with interest at the actuarially assumed
21 ~~rate of 11% per annum~~, compounded annually, to the date of the
22 transfer, as provided in Section 8-172.1 of this Code. These
23 city contributions shall be credited to the individual fireman
24 only if he or she pays for prior service as a paramedic in full
25 to this Fund.

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

2 (40 ILCS 5/6-227 new)

3 Sec. 6-227. Transfer of creditable service from Article 4.
4 Until January 1, 2010, any active member of the Firemen's
5 Annuity and Benefit Fund of Chicago may transfer to the Fund up
6 to a total of 10 years of creditable service accumulated under
7 Article 4 of this Code upon payment to the Fund within 5 years
8 after the date of application of an amount equal to the
9 difference between the amount of employee and employer
10 contributions transferred to the Fund under Section 4-108.6 and
11 the amounts determined by the Fund in accordance with this
12 Section, plus interest on that difference at the actuarially
13 assumed rate, compounded annually, from the date of service to
14 the date of payment.

15 The Fund must determine the fireman's payment required to
16 establish creditable service under this Section by taking into
17 account the appropriate actuarial assumptions, including
18 without limitation the fireman's service, age, and salary
19 history; the level of funding of the Fund; and any other
20 factors that the Fund determines to be relevant. For this
21 purpose, the fireman's required payment should result in no
22 significant increase to the Fund's unfunded actuarial accrued
23 liability determined as of the most recent actuarial valuation,
24 based on the same assumptions and methods used to develop and
25 report the Fund's actuarial accrued liability and actuarial

1 value of assets under Statement No. 25 of Governmental
2 Accounting Standards Board or any subsequent applicable
3 Statement.

4 (40 ILCS 5/6-228 new)

5 Sec. 6-228. Action by Fund against third party;
6 subrogation. In those cases where the injury or death for which
7 a disability or death benefit is payable under this Article was
8 caused under circumstances creating a legal liability on the
9 part of some person or entity (hereinafter "third party") to
10 pay damages to the fireman, legal proceedings may be taken
11 against such third party to recover damages notwithstanding the
12 Fund's payment of or liability to pay disability or death
13 benefits under this Article. In such case, however, if the
14 action against such third party is brought by the injured
15 fireman or his personal representative and judgment is obtained
16 and paid, or settlement is made with such third party, either
17 with or without suit, from the amount received by such fireman
18 or personal representative, then there shall be paid to the
19 Fund the amount of money representing the death or disability
20 benefits paid or to be paid to the disabled fireman pursuant to
21 the provisions of this Article. In all circumstances where the
22 action against a third party is brought by the disabled fireman
23 or his personal representative, the Fund shall have a claim or
24 lien upon any recovery, by judgment or settlement, out of which
25 the disabled fireman or his personal representative might be

1 compensated from such third party. The Fund may satisfy or
2 enforce any such claim or lien only from that portion of a
3 recovery that has been, or can be, allocated or attributed to
4 past and future lost salary, which recovery is by judgment or
5 settlement. The Fund's claim or lien shall not be satisfied or
6 enforced from that portion of a recovery that has been, or can
7 be, allocated or attributed to medical care and treatment, pain
8 and suffering, loss of consortium, and attorney's fees and
9 costs.

10 Where action is brought by the disabled fireman or his
11 personal representative they shall forthwith notify the Fund,
12 by personal service or registered mail, of such fact and of the
13 name of the court where such suit is brought, filing proof of
14 such notice in such action. The Fund may, at any time
15 thereafter, intervene in such action upon its own motion.
16 Therefore, no release or settlement of claim for damages by
17 reason of injury to the disabled fireman, and no satisfaction
18 of judgment in such proceedings, shall be valid without the
19 written consent of the Board of Trustees authorized by this
20 Code to administer the Fund created under this Article, except
21 that such consent shall be provided expeditiously following a
22 settlement or judgment.

23 In the event the disabled fireman or his personal
24 representative has not instituted an action against a third
25 party at a time when only 3 months remain before such action
26 would thereafter be barred by law, the Fund may, in its own

1 name or in the name of the personal representative, commence a
2 proceeding against such third party seeking the recovery of all
3 damages on account of injuries caused to the fireman. From any
4 amount so recovered, the Fund shall pay to the personal
5 representative of such disabled fireman all sums collected from
6 such third party by judgment or otherwise in excess of the
7 amount of disability or death benefits paid or to be paid under
8 this Article to the disabled fireman or his personal
9 representative, and such costs, attorney's fees, and
10 reasonable expenses as may be incurred by the Fund in making
11 the collection or in enforcing such liability. The Fund's
12 recovery, shall be satisfied only from that portion of a
13 recovery that has been, or can be, allocated or attributed to
14 past and future lost salary, which recovery is by judgment or
15 settlement. The Fund's recovery shall not be satisfied from
16 that portion of the recovery that has been, or can be allocated
17 or attributed to medical care and treatment, pain and
18 suffering, loss of consortium, and attorney's fees and costs.

19 Additionally, with respect to any right of subrogation
20 asserted by the Fund under this Section, the Fund, in the
21 exercise of discretion, may determine what amount from past or
22 future salary shall be appropriate under the circumstances to
23 collect from the recovery obtained on behalf of the disabled
24 fireman.

1 Sec. 8-172.1. Transfer of city contributions for
2 paramedics.

3 (a) Municipality credits computed and credited under this
4 Article 8 for all persons who (1) accumulated service credit in
5 this Article 8 fund for service as a paramedic, (2) have
6 terminated that Article 8 service credit and received a refund
7 of contributions, and (3) are participants in the Article 6
8 fund on the effective date of this amendatory Act of the 96th
9 ~~93rd~~ General Assembly shall be transferred by this Article 8
10 fund to the Article 6 fund together with interest at the
11 actuarially assumed rate of 11% per annum, compounded annually,
12 to the date of transfer. The city shall not be responsible for
13 making any additional employer contributions to the Fund to
14 replace the amounts transferred under this Section.

15 (b) Municipality credits computed and credited under this
16 Article 8 for all persons who (1) accumulated service credit in
17 this Article 8 fund for service as a paramedic, (2) have
18 terminated that Article 8 service credit and received a refund
19 of contributions, and (3) are not participants in the Article 6
20 fund on the effective date of this amendatory Act of the 93rd
21 General Assembly shall be used as provided in Section 8-172.

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

23 (40 ILCS 5/9-121.18 new)

24 Sec. 9-121.18. Transfer to Article 5.

25 (a) Any active member of Article 5 of this Code may apply

1 for transfer of some or all of his creditable service as a
2 correctional officer with the county department of corrections
3 accumulated under this Article to the Article 5 Fund in
4 accordance with paragraph (b) of Section 5-234. At the time of
5 the transfer the Fund shall pay to the Article 5 Fund an amount
6 equal to:

7 (1) the amounts accumulated to the credit of the
8 applicant on the books of the Fund on the date of transfer
9 for the service to be transferred;

10 (2) the corresponding employer credits, including
11 interest, on the books of the Fund on the date of transfer;
12 and

13 (3) any interest paid by the applicant in order to
14 reinstate such service.

15 Participation in this Fund with respect to the credits
16 transferred shall terminate on the date of transfer.

17 (b) Any person applying to transfer service under this
18 Section may reinstate credit for service as a member of the
19 county department of corrections that was terminated by receipt
20 of a refund, by paying to the Fund the amount of the refund
21 with interest thereon at the actuarially assumed rate,
22 compounded annually, from the date of refund to the date of
23 payment.

24 Section 90. The State Mandates Act is amended by adding
25 Section 8.33 as follows:

1 (30 ILCS 805/8.33 new)

2 Sec. 8.33. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 96th General Assembly."

6 Section 999. Effective date. This Act takes effect upon
7 becoming law."