

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 1-107 as follows:

6 (40 ILCS 5/1-107) (from Ch. 108 1/2, par. 1-107)

7 Sec. 1-107. Indemnification of trustees, consultants, and
8 employees of retirement systems and pension funds. Every
9 retirement system, pension fund, or other system or fund
10 established under this Code, other than a retirement system
11 established under Article 2, 14, 15, 16, or 18 of this Code or
12 the investment board established under Article 22A of this
13 Code, must indemnify and protect the trustees against all
14 damage claims and suits, including defense thereof, when
15 damages are sought for negligent or wrongful acts alleged to
16 have been committed in the scope of their powers and duties as
17 trustees.

18 Every retirement system established under Article 2, 14,
19 15, 16, or 18 of this Code may indemnify and protect the
20 trustees against all damage claims and suits, including defense
21 thereof, when damages are sought for negligent or wrongful acts
22 alleged to have been committed in the scope of their powers and
23 duties as trustees.

1 The investment board established under Article 22A of this
2 Code may indemnify and protect its members against all damage
3 claims and suits, including defense thereof, when damages are
4 sought for negligent or wrongful acts alleged to have been
5 committed in the scope of their powers and duties as members.

6 Every retirement system, pension fund, or other system or
7 fund established under this Code may indemnify and protect the
8 ~~trustees,~~ staff and consultants against all damage claims and
9 suits, including defense thereof, when damages are sought for
10 negligent or wrongful acts alleged to have been committed in
11 the scope of employment or under the direction of the trustees.

12 However, the trustees, staff, and consultants shall not be
13 indemnified for wilful misconduct and gross negligence.

14 Each board is authorized to insure against loss or
15 liability of the trustees, staff, and consultants which may
16 result from these damage claims. This insurance shall be
17 carried in a company which is licensed to write such coverage
18 in this State.

19 (Source: P.A. 80-1364.)

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