



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3815

Introduced 10/5/2011, by Rep. Karen May

SYNOPSIS AS INTRODUCED:

40 ILCS 5/8-226
40 ILCS 5/11-215

from Ch. 108 1/2, par. 8-226
from Ch. 108 1/2, par. 11-215

Amends the Chicago Municipal and Chicago Laborers Articles of the Illinois Pension Code. Provides, in both affected Articles, that a leave of absence without pay during employment with a local labor organization is not to be included in computing the term of service of a person who first becomes a participant on or after the effective date of the amendatory Act. Effective January 1, 2012.

LRB097 13164 JDS 57670 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

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 Sections 8-226 and 11-215 as follows:

6 (40 ILCS 5/8-226) (from Ch. 108 1/2, par. 8-226)

7 Sec. 8-226. Computation of service. In computing the term
8 of service of an employee prior to the effective date, the
9 entire period beginning on the date he was first appointed and
10 ending on the day before the effective date, except any
11 intervening period during which he was separated by withdrawal
12 from service, shall be counted for all purposes of this
13 Article, except that for any employee who was not in service on
14 the day before the effective date, service rendered prior to
15 such date shall not be considered for the purposes of Section
16 8-138.

17 For a person employed by an employer for whom this Article
18 was in effect prior to January 1, 1950, from whose salary
19 deductions are first made under this Article after December 31,
20 1949, any period of service rendered prior to the effective
21 date, unless he was in service on the day before the effective
22 date, shall not be counted as service.

23 The time a person was an employee of any territory annexed

1 to the city prior to the effective date shall be counted as a
2 period of service.

3 In computing the term of service of any employee subsequent
4 to the day before the effective date, the following periods
5 shall be counted as periods of service for age and service,
6 widow's and child's annuity purposes:

7 (a) The time during which he performed the duties of
8 his position;

9 (b) Vacations, leaves of absence with whole or part
10 pay, and leaves of absence without pay not longer than 90
11 days;

12 (c) Leaves of absence without pay during which a
13 participant is employed full-time by a local labor
14 organization that represents municipal employees, provided
15 that (1) the participant continues to make employee
16 contributions to the Fund as though he were an active
17 employee, based on the regular salary rate received by the
18 participant for his municipal employment immediately prior
19 to such leave of absence (and in the case of such
20 employment prior to December 9, 1987, pays to the Fund an
21 amount equal to the employee contributions for such
22 employment plus regular interest thereon as calculated by
23 the board), and based on his current salary with such labor
24 organization after the effective date of this amendatory
25 Act of 1991, (2) after January 1, 1989 the participant, or
26 the labor organization on the participant's behalf, makes

1 contributions to the Fund as though it were the employer,
2 in the same amount and same manner as specified under this
3 Article, based on the regular salary rate received by the
4 participant for his municipal employment immediately prior
5 to such leave of absence, and based on his current salary
6 with such labor organization after the effective date of
7 this amendatory Act of 1991, ~~and~~ (3) the participant does
8 not receive credit in any pension plan established by the
9 local labor organization based on his employment by the
10 organization, and (4) the participant first became a
11 participant before the effective date of this amendatory
12 Act of the 97th General Assembly;

13 (d) Any period of disability for which he received (i)
14 a disability benefit under this Article, or (ii) a
15 temporary total disability benefit under the Workers'
16 Compensation Act if the disability results from a condition
17 commonly termed heart attack or stroke or any other
18 condition falling within the broad field of coronary
19 involvement or heart disease, or (iii) whole or part pay;

20 (e) Any period for which contributions and service
21 credit have been transferred to this Fund under subsection
22 (d) of Section 9-121.1 or subsection (d) of Section
23 12-127.1 of this Code.

24 For a person employed by an employer in which the 1921 Act
25 was in effect prior to January 1, 1950, from whose salary
26 deductions are first made under the 1921 Act or this Article

1 after December 31, 1949, any period of service rendered
2 subsequent to the effective date and prior to the date he
3 became an employee and contributor, shall not be counted as a
4 period of service under this Article, except such period for
5 which he made payment as provided in Section 8-230 of this
6 Article, in which case such period shall be counted as a period
7 of service for all annuity purposes hereunder.

8 In computing the term of service of an employee subsequent
9 to the day before the effective date for ordinary disability
10 benefit purposes, all periods described in the preceding
11 paragraph, except any such period for which he receives
12 ordinary disability benefit, shall be counted as periods of
13 service; provided, that for any person employed by an employer
14 in which this Article was in effect prior to January 1, 1950,
15 from whose salary deductions are first made under this Article
16 after December 31, 1949, any period of service rendered
17 subsequent to the effective date and prior to the date he
18 became an employee and contributor, shall not be counted as a
19 period of service for ordinary disability benefit purposes,
20 unless the person made payment for the period as provided in
21 Section 8-230 of this Article, in which case the period shall
22 be counted as a period of service for ordinary disability
23 purposes for periods of disability on or after the effective
24 date of this amendatory Act of 1997.

25 Overtime or extra service shall not be included in
26 computing any term of service. Not more than 1 year of service

1 shall be allowed for service rendered during any calendar year.
2 (Source: P.A. 90-511, eff. 8-22-97.)

3 (40 ILCS 5/11-215) (from Ch. 108 1/2, par. 11-215)

4 Sec. 11-215. Computation of service.

5 (a) In computing the term of service of an employee prior
6 to the effective date, the entire period beginning on the date
7 he was first appointed and ending on the day before the
8 effective date, except any intervening period during which he
9 was separated by withdrawal from service, shall be counted for
10 all purposes of this Article. Only the first year of each
11 period of lay-off or leave of absence without pay, continuing
12 or extending for a period in excess of one year, shall be
13 counted as such service.

14 (b) For a person employed by an employer for whom this
15 Article was in effect prior to August 1, 1949, from whose
16 salary deductions are first made under this Article after July
17 31, 1949, any period of service rendered prior to the effective
18 date, unless he was in service on the day before the effective
19 date, shall not be counted as service.

20 (c) In computing the term of service of an employee
21 subsequent to the day before the effective date, the following
22 periods of time shall be counted as periods of service for
23 annuity purposes:

24 (1) the time during which he performed the duties of
25 his position;

1 (2) leaves of absence with whole or part pay, and
2 leaves of absence without pay not longer than 90 days;

3 (3) leaves of absence without pay during which a
4 participant is employed full-time by a local labor
5 organization that represents municipal employees, provided
6 that (A) the participant continues to make employee
7 contributions to the Fund as though he were an active
8 employee, based on the regular salary rate received by the
9 participant for his municipal employment immediately prior
10 to such leave of absence (and in the case of such
11 employment prior to December 9, 1987, pays to the Fund an
12 amount equal to the employee contributions for such
13 employment plus regular interest thereon as calculated by
14 the board), and based on his current salary with such labor
15 organization after the effective date of this amendatory
16 Act of 1991, (B) after January 1, 1989 the participant, or
17 the labor organization on the participant's behalf, makes
18 contributions to the Fund as though it were the employer,
19 in the same amount and same manner as specified under this
20 Article, based on the regular salary rate received by the
21 participant for his municipal employment immediately prior
22 to such leave of absence, and based on his current salary
23 with such labor organization after the effective date of
24 this amendatory Act of 1991, ~~and~~ (C) the participant does
25 not receive credit in any pension plan established by the
26 local labor organization based on his employment by the

1 organization, and (D) the participant first became a
2 participant before the effective date of this amendatory
3 Act of the 97th General Assembly;

4 (4) any period of disability for which he received (i)
5 a disability benefit under this Article, or (ii) a
6 temporary total disability benefit under the Workers'
7 Compensation Act if the disability results from a condition
8 commonly termed heart attack or stroke or any other
9 condition falling within the broad field of coronary
10 involvement or heart disease, or (iii) whole or part pay.

11 (d) For a person employed by an employer, or the retirement
12 board, in which "The 1935 Act" was in effect prior to August 1,
13 1949, from whose salary deductions are first made under "The
14 1935 Act" or this Article after July 31, 1949, any period of
15 service rendered subsequent to the effective date and prior to
16 August 1, 1949, shall not be counted as a period of service
17 under this Article, except such period for which he made
18 payment, as provided in Section 11-221 of this Article, in
19 which case such period shall be counted as a period of service
20 for all annuity purposes hereunder.

21 (e) In computing the term of service of an employee
22 subsequent to the day before the effective date for ordinary
23 disability benefit purposes, the following periods of time
24 shall be counted as periods of service:

25 (1) any period during which he performed the duties of
26 his position;

1 (2) leaves of absence with whole or part pay;

2 (3) any period of disability for which he received (i)
3 a duty disability benefit under this Article, or (ii) a
4 temporary total disability benefit under the Workers'
5 Compensation Act if the disability results from a condition
6 commonly termed heart attack or stroke or any other
7 condition falling within the broad field of coronary
8 involvement or heart disease, or (iii) whole or part pay.

9 However, any period of service rendered by an employee
10 contributor prior to the date he became a contributor to the
11 fund shall not be counted as a period of service for ordinary
12 disability purposes, unless the person made payment for the
13 period as provided in Section 11-221 of this Article, in which
14 case the period shall be counted as a period of service for
15 ordinary disability purposes for periods of disability on or
16 after the effective date of this amendatory Act of 1997.

17 Overtime or extra service shall not be included in
18 computing any term of service. Not more than 1 year of service
19 shall be allowed for service rendered during any calendar year.

20 (Source: P.A. 90-511, eff. 8-22-97.)

21 Section 99. Effective date. This Act takes effect January
22 1, 2012.