



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB6286

by Rep. Sam Yingling

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the General Assembly, Downstate Police, Downstate Firefighters, Chicago Police, Chicago Firefighters, Illinois Municipal Retirement Fund (IMRF), Chicago Municipal, Cook County, Cook County Forest Preserve, Chicago Laborers, Chicago Park District, Metropolitan Water Reclamation District, State Employees, State Universities, Downstate Teachers, Chicago Teachers, and Judges Articles of the Illinois Pension Code. Provides that in any matter involving a question of whether pension benefits should be terminated because of a felony, the board of the fund or system shall make the Attorney General and the State's Attorney of the county in which the felony occurred parties to the proceeding. Provides that the Attorney General or the State's Attorney may contest the eligibility of the person convicted of the felony and may seek judicial review of the board's decision not to terminate benefits because of a felony conviction. Amends the State Mandates Act to require implementation without reimbursement by the State. Effective immediately.

LRB098 21923 RPS 60785 b

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 Illinois Pension Code is amended by changing  
5 Sections 5-189, 6-185, 8-203, 9-196, 11-192, 12-162, and 13-706  
6 and by adding Sections 2-156.5, 3-147.5, 4-138.2, 7-219.5,  
7 10-109.5, 14-149.5, 15-187.5, 16-199.5, 17-149.2, and 18-163.5  
8 as follows:

9 (40 ILCS 5/2-156.5 new)

10 Sec. 2-156.5. Felony forfeiture proceedings. In any matter  
11 involving a question of whether benefits under this Article  
12 should be terminated because of a felony conviction, the Board  
13 shall make the Attorney General and the State's Attorney of the  
14 county in which the felony occurred parties to the proceeding;  
15 the Attorney General or the State's Attorney may contest the  
16 eligibility of the person convicted of the felony, and the  
17 Attorney General or the State's Attorney may seek judicial  
18 review of the Board's decision not to terminate benefits under  
19 this Article because of a felony conviction.

20 (40 ILCS 5/3-147.5 new)

21 Sec. 3-147.5. Felony forfeiture proceedings. In any matter  
22 involving a question of whether benefits under this Article

1 should be terminated because of a felony conviction, the board  
2 shall make the Attorney General and the State's Attorney of the  
3 county in which the felony occurred parties to the proceeding;  
4 the Attorney General or the State's Attorney may contest the  
5 eligibility of the person convicted of the felony, and the  
6 Attorney General or the State's Attorney may seek judicial  
7 review of the board's decision not to terminate benefits under  
8 this Article because of a felony conviction.

9 (40 ILCS 5/4-138.2 new)

10 Sec. 4-138.2. Felony forfeiture proceedings. In any matter  
11 involving a question of whether benefits under this Article  
12 should be terminated because of a felony conviction, the board  
13 shall make the Attorney General and the State's Attorney of the  
14 county in which the felony occurred parties to the proceeding;  
15 the Attorney General or the State's Attorney may contest the  
16 eligibility of the person convicted of the felony, and the  
17 Attorney General or the State's Attorney may seek judicial  
18 review of the board's decision not to terminate benefits under  
19 this Article because of a felony conviction.

20 (40 ILCS 5/5-189) (from Ch. 108 1/2, par. 5-189)

21 Sec. 5-189. To authorize payments. To authorize the payment  
22 of any annuity, pension, or benefit granted under this Article  
23 or under any other Act relating to police pensions, heretofore  
24 in effect in the city which has been superseded by this

1 Article; to increase, reduce, or suspend any such annuity,  
2 pension, or benefit whenever any part thereof was secured or  
3 granted or the amount thereof fixed, as the result of  
4 misrepresentation, fraud, or error; provided, the annuitant,  
5 pensioner or beneficiary concerned shall be notified and given  
6 an opportunity to be heard concerning such proposed action.

7 The Board shall have exclusive original jurisdiction in all  
8 matters relating to or affecting the fund, including, in  
9 addition to all other matters, all claims for annuities,  
10 pensions, benefits or refunds. However, in any matter involving  
11 a question of whether benefits under this Article should be  
12 terminated because of a felony conviction, the Board shall make  
13 the Attorney General and the State's Attorney of the county in  
14 which the felony occurred parties to the proceeding; the  
15 Attorney General or the State's Attorney may contest the  
16 eligibility of the person convicted of the felony, and the  
17 Attorney General or the State's Attorney may seek judicial  
18 review of the Board's decision not to terminate benefits under  
19 this Article because of a felony conviction.

20 (Source: P.A. 77-2141.)

21 (40 ILCS 5/6-185) (from Ch. 108 1/2, par. 6-185)

22 Sec. 6-185. To authorize payments. To authorize the payment  
23 of any annuity, pension or benefit granted under this Article,  
24 or under any other Act relating to firemen's pensions,  
25 heretofore in effect in the city which has been superseded by

1 this Article; to increase, reduce, or suspend any such annuity,  
2 pension, or benefit whenever any part thereof was secured or  
3 granted, or the amount thereof fixed, as the result of  
4 misrepresentation, fraud, or error; provided, that the  
5 annuitant, pensioner, or beneficiary concerned shall be  
6 notified and given an opportunity to be heard concerning such  
7 proposed action. The board shall have exclusive original  
8 jurisdiction in all matters relating to or affecting the fund,  
9 including, in addition to all other matters, all claims for  
10 annuities, benefits, refunds or pensions. However, in any  
11 matter involving a question of whether benefits under this  
12 Article should be terminated because of a felony conviction,  
13 the board shall make the Attorney General and the State's  
14 Attorney of the county in which the felony occurred parties to  
15 the proceeding; the Attorney General or the State's Attorney  
16 may contest the eligibility of the person convicted of the  
17 felony, and the Attorney General or the State's Attorney may  
18 seek judicial review of the board's decision not to terminate  
19 benefits under this Article because of a felony conviction.

20 (Source: Laws 1963, p. 161.)

21 (40 ILCS 5/7-219.5 new)

22 Sec. 7-219.5. Felony forfeiture proceedings. In any matter  
23 involving a question of whether benefits under this Article  
24 should be terminated because of a felony conviction, the Board  
25 shall make the Attorney General and the State's Attorney of the

1 county in which the felony occurred parties to the proceeding;  
2 the Attorney General or the State's Attorney may contest the  
3 eligibility of the person convicted of the felony, and the  
4 Attorney General or the State's Attorney may seek judicial  
5 review of the Board's decision not to terminate benefits under  
6 this Article because of a felony conviction.

7 (40 ILCS 5/8-203) (from Ch. 108 1/2, par. 8-203)

8 Sec. 8-203. To authorize payments. To authorize or suspend  
9 the payment of any annuity or benefit in accordance with this  
10 Article. The board shall have exclusive original jurisdiction  
11 in all matters relating to the fund, including, in addition to  
12 all other matters, all claims for annuities, pensions, benefits  
13 or refunds. However, in any matter involving a question of  
14 whether benefits under this Article should be terminated  
15 because of a felony conviction, the board shall make the  
16 Attorney General and the State's Attorney of the county in  
17 which the felony occurred parties to the proceeding; the  
18 Attorney General or the State's Attorney may contest the  
19 eligibility of the person convicted of the felony, and the  
20 Attorney General or the State's Attorney may seek judicial  
21 review of the board's decision not to terminate benefits under  
22 this Article because of a felony conviction.

23 (Source: Laws 1963, p. 161.)

24 (40 ILCS 5/9-196) (from Ch. 108 1/2, par. 9-196)

1           Sec. 9-196. To authorize payments. To authorize or suspend  
2 the payment of any annuity or benefit in accordance with this  
3 Article. The board shall have exclusive original jurisdiction  
4 in all matters relating to the fund, including, in addition to  
5 all other matters, all claims for annuities, pensions, benefits  
6 or refunds. However, in any matter involving a question of  
7 whether benefits under this Article should be terminated  
8 because of a felony conviction, the board shall make the  
9 Attorney General and the State's Attorney of the county in  
10 which the felony occurred parties to the proceeding; the  
11 Attorney General or the State's Attorney may contest the  
12 eligibility of the person convicted of the felony, and the  
13 Attorney General or the State's Attorney may seek judicial  
14 review of the board's decision not to terminate benefits under  
15 this Article because of a felony conviction.

16 (Source: Laws 1963, p. 161.)

17 (40 ILCS 5/10-109.5 new)

18 Sec. 10-109.5. Felony forfeiture proceedings. In any  
19 matter involving a question of whether benefits under this  
20 Article should be terminated because of a felony conviction,  
21 the board shall make the Attorney General and the State's  
22 Attorney of the county in which the felony occurred parties to  
23 the proceeding; the Attorney General or the State's Attorney  
24 may contest the eligibility of the person convicted of the  
25 felony, and the Attorney General or the State's Attorney may

1 seek judicial review of the board's decision not to terminate  
2 benefits under this Article because of a felony conviction.

3 (40 ILCS 5/11-192) (from Ch. 108 1/2, par. 11-192)

4 Sec. 11-192. To authorize payments. To authorize or suspend  
5 the payment of any annuity or benefit in accordance with this  
6 Article. The board shall have exclusive original jurisdiction  
7 in all matters relating to or affecting the fund, including, in  
8 addition to all other matters, all claims for annuities,  
9 pensions, benefits or refunds. However, in any matter involving  
10 a question of whether benefits under this Article should be  
11 terminated because of a felony conviction, the board shall make  
12 the Attorney General and the State's Attorney of the county in  
13 which the felony occurred parties to the proceeding; the  
14 Attorney General or the State's Attorney may contest the  
15 eligibility of the person convicted of the felony, and the  
16 Attorney General or the State's Attorney may seek judicial  
17 review of the board's decision not to terminate benefits under  
18 this Article because of a felony conviction.

19 (Source: Laws 1963, p. 161.)

20 (40 ILCS 5/12-162) (from Ch. 108 1/2, par. 12-162)

21 Sec. 12-162. To have exclusive original jurisdiction. To  
22 have exclusive original jurisdiction in all matters relating to  
23 or affecting the fund, including, in addition to all other  
24 matters, all claims for annuities, benefits or refunds under



1     this Article. However, in any matter involving a question of  
2     whether benefits under this Article should be terminated  
3     because of a felony conviction, the board shall make the  
4     Attorney General and the State's Attorney of the county in  
5     which the felony occurred parties to the proceeding; the  
6     Attorney General or the State's Attorney may contest the  
7     eligibility of the person convicted of the felony, and the  
8     Attorney General or the State's Attorney may seek judicial  
9     review of the board's decision not to terminate benefits under  
10    this Article because of a felony conviction.

11    (Source: Laws 1963, p. 161.)

12           (40 ILCS 5/13-706) (from Ch. 108 1/2, par. 13-706)

13           Sec. 13-706. Board powers and duties. The Board shall have  
14    the powers and duties set forth in this Section, in addition to  
15    such other powers and duties as may be provided in this Article  
16    and in this Code:

17           (a) To supervise collections. To see that all amounts  
18    specified in this Article to be applied to the Fund, from  
19    any source, are collected and applied.

20           (b) To notify of deductions. To notify the Clerk of the  
21    Water Reclamation District of the deductions to be made  
22    from the salaries of employees.

23           (c) To accept gifts. To accept by gift, grant, bequest  
24    or otherwise any money or property of any kind and use the  
25    same for the purposes of the Fund.

1           (d) To invest the reserves. To invest the reserves of  
2 the Fund in accordance with the provisions set forth in  
3 Section 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and  
4 1-115 of this Code. Investments made in accordance with  
5 Section 1-113 of Article 1 of this Code shall be deemed  
6 prudent. The Board is also authorized to transfer  
7 securities to the Illinois State Board of Investment for  
8 the purpose of participation in any commingled investment  
9 fund as provided in Article 22A of this Code.

10           (e) To authorize payments. To consider and pass upon  
11 all applications for annuities and benefits; to authorize  
12 or suspend the payment of any annuity or benefit; to  
13 inquire into the validity and legality of any grant of  
14 annuity or benefit paid from or payable out of the Fund; to  
15 increase, reduce, or suspend any such annuity or benefit  
16 whenever the annuity or benefit, or any part thereof, was  
17 secured or granted, or the amount thereof fixed, as the  
18 result of misrepresentation, fraud, or error. No such  
19 annuity or benefit shall be permanently reduced or  
20 suspended until the affected annuitant or beneficiary is  
21 first notified of the proposed action and given an  
22 opportunity to be heard. No trustee of the Board shall vote  
23 upon that trustee's own personal claim for annuity, benefit  
24 or refund, or participate in the deliberations of the Board  
25 as to the validity of any such claim. The Board shall have  
26 exclusive original jurisdiction in all matters of claims

1       for annuities, benefits and refunds. However, in any matter  
2       involving a question of whether benefits under this Article  
3       should be terminated because of a felony conviction, the  
4       Board shall make the Attorney General and the State's  
5       Attorney of the county in which the felony occurred parties  
6       to the proceeding; the Attorney General or the State's  
7       Attorney may contest the eligibility of the person  
8       convicted of the felony, and the Attorney General or the  
9       State's Attorney may seek judicial review of the Board's  
10       decision not to terminate benefits under this Article  
11       because of a felony conviction.

12       (f) To submit an annual report. To submit a report in  
13       July of each year to the Board of Commissioners of the  
14       Water Reclamation District as of the close of business on  
15       December 31st of the preceding year. The report shall  
16       include the following:

17               (1) A balance sheet, showing the financial and  
18               actuarial condition of the Fund as of the end of the  
19               calendar year;

20               (2) A statement of receipts and disbursements  
21               during such year;

22               (3) A statement showing changes in the asset,  
23               liability, reserve and surplus accounts during such  
24               year;

25               (4) A detailed statement of investments as of the  
26               end of the year; and

1           (5) Any additional information as is deemed  
2 necessary for proper interpretation of the condition  
3 of the Fund.

4           (g) To subpoena witnesses. To compel witnesses to  
5 attend and testify before it upon any matter concerning the  
6 Fund and allow witness fees not in excess of \$6 for  
7 attendance upon any one day. The President and other  
8 members of the Board may administer oaths to witnesses.

9           (h) To appoint employees and consultants. To appoint  
10 such actuarial, medical, legal, investigational, clerical  
11 or financial employees and consultants as are necessary,  
12 and fix their compensation.

13           (i) To make rules. To make rules and regulations  
14 necessary for the administration of the affairs of the  
15 Fund.

16           (j) To waive guardianship. To waive the requirement of  
17 legal guardianship of any minor unmarried beneficiary of  
18 the Fund living with a parent or grandparent, and legal  
19 guardianship of any beneficiary under legal disability  
20 whose husband, wife, or parent is managing such  
21 beneficiary's affairs, whenever the Board deems such  
22 waiver to be in the best interest of the beneficiary.

23           (k) To collect amounts due. To collect any amounts due  
24 to the Fund from any participant or beneficiary prior to  
25 payment of any annuity, benefit or refund.

26           (l) To invoke rule of offset. To offset against any

1 amount payable to an employee or to any other person such  
2 sums as may be due to the Fund or may have been paid by the  
3 Fund due to misrepresentation, fraud or error.

4 (m) To assess and collect interest on amounts due to  
5 the Fund using the annual rate as shall from time to time  
6 be determined by the Board, compounded annually from the  
7 date of notification to the date of payment.

8 (Source: P.A. 94-621, eff. 8-18-05; 95-586, eff. 8-31-07.)

9 (40 ILCS 5/14-149.5 new)

10 Sec. 14-149.5. Felony forfeiture proceedings. In any  
11 matter involving a question of whether benefits under this  
12 Article should be terminated because of a felony conviction,  
13 the Board shall make the Attorney General and the State's  
14 Attorney of the county in which the felony occurred parties to  
15 the proceeding; the Attorney General or the State's Attorney  
16 may contest the eligibility of the person convicted of the  
17 felony, and the Attorney General or the State's Attorney may  
18 seek judicial review of the Board's decision not to terminate  
19 benefits under this Article because of a felony conviction.

20 (40 ILCS 5/15-187.5 new)

21 Sec. 15-187.5. Felony forfeiture proceedings. In any  
22 matter involving a question of whether benefits under this  
23 Article should be terminated because of a felony conviction,  
24 the Board shall make the Attorney General and the State's

1 Attorney of the county in which the felony occurred parties to  
2 the proceeding; the Attorney General or the State's Attorney  
3 may contest the eligibility of the person convicted of the  
4 felony, and the Attorney General or the State's Attorney may  
5 seek judicial review of the Board's decision not to terminate  
6 benefits under this Article because of a felony conviction.

7 (40 ILCS 5/16-199.5 new)

8 Sec. 16-199.5. Felony forfeiture proceedings. In any  
9 matter involving a question of whether benefits under this  
10 Article should be terminated because of a felony conviction,  
11 the Board shall make the Attorney General and the State's  
12 Attorney of the county in which the felony occurred parties to  
13 the proceeding; the Attorney General or the State's Attorney  
14 may contest the eligibility of the person convicted of the  
15 felony, and the Attorney General or the State's Attorney may  
16 seek judicial review of the Board's decision not to terminate  
17 benefits under this Article because of a felony conviction.

18 (40 ILCS 5/17-149.2 new)

19 Sec. 17-149.2. Felony forfeiture proceedings. In any  
20 matter involving a question of whether benefits under this  
21 Article should be terminated because of a felony conviction,  
22 the Board shall make the Attorney General and the State's  
23 Attorney of the county in which the felony occurred parties to  
24 the proceeding; the Attorney General or the State's Attorney

1 may contest the eligibility of the person convicted of the  
2 felony, and the Attorney General or the State's Attorney may  
3 seek judicial review of the Board's decision not to terminate  
4 benefits under this Article because of a felony conviction.

5 (40 ILCS 5/18-163.5 new)

6 Sec. 18-163.5. Felony forfeiture proceedings. In any  
7 matter involving a question of whether benefits under this  
8 Article should be terminated because of a felony conviction,  
9 the Board shall make the Attorney General and the State's  
10 Attorney of the county in which the felony occurred parties to  
11 the proceeding; the Attorney General or the State's Attorney  
12 may contest the eligibility of the person convicted of the  
13 felony, and the Attorney General or the State's Attorney may  
14 seek judicial review of the Board's decision not to terminate  
15 benefits under this Article because of a felony conviction.

16 Section 90. The State Mandates Act is amended by adding  
17 Section 8.38 as follows:

18 (30 ILCS 805/8.38 new)

19 Sec. 8.38. Exempt mandate. Notwithstanding Sections 6 and 8  
20 of this Act, no reimbursement by the State is required for the  
21 implementation of any mandate created by this amendatory Act of  
22 the 98th General Assembly.

23 Section 99. Effective date. This Act takes effect upon

1 becoming law.



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