



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB6296

Introduced 2/11/2016, by Rep. Elaine Nekritz

SYNOPSIS AS INTRODUCED:

40 ILCS 5/6-229

Amends the Chicago Firefighter Article of the Illinois Pension Code. In a Section relating to a person who first becomes a fireman on or after January 1, 2011: (1) deletes provisions specifying the amount of annuity for a surviving child or parent; (2) provides for payment of a specified survivor's annuity to the surviving spouse of an active fireman with at least 10 years of actual service; and (3) provides for payment of a minimum widow's annuity to every surviving spouse, regardless of whether the deceased fireman was in service or had less than 10 years of actual service. Specifies that the changes relating to the newly defined annuities apply without regard to whether the death of the deceased fireman may have occurred prior to the effective date. Effective immediately.

LRB099 19825 RPS 44224 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 Section 6-229 as follows:

6 (40 ILCS 5/6-229)

7 Sec. 6-229. Provisions applicable to new hires.

8 (a) Notwithstanding any other provision of this Article,
9 the provisions of this Section apply to a person who first
10 becomes a fireman under this Article on or after January 1,
11 2011.

12 (b) A fireman age 55 or more who has 10 or more years of
13 service in that capacity shall be entitled at his option to
14 receive a monthly retirement annuity for his service as a
15 fireman computed by multiplying 2.5% for each year of such
16 service by his or her final average salary.

17 The retirement annuity of a fireman who is retiring after
18 attaining age 50 with 10 or more years of creditable service
19 shall be reduced by one-half of 1% for each month that the
20 fireman's age is under age 55.

21 The maximum retirement annuity under this subsection (b)
22 shall be 75% of final average salary.

23 For the purposes of this subsection (b), "final average

1 salary" means the average monthly salary obtained by dividing
2 the total salary of the fireman during the 96 consecutive
3 months of service within the last 120 months of service in
4 which the total salary was the highest by the number of months
5 of service in that period.

6 Beginning on January 1, 2011, for all purposes under this
7 Code (including without limitation the calculation of benefits
8 and employee contributions), the annual salary based on the
9 plan year of a member or participant to whom this Section
10 applies shall not exceed \$106,800; however, that amount shall
11 annually thereafter be increased by the lesser of (i) 3% of
12 that amount, including all previous adjustments, or (ii)
13 one-half the annual unadjusted percentage increase (but not
14 less than zero) in the consumer price index-u for the 12 months
15 ending with the September preceding each November 1, including
16 all previous adjustments.

17 (c) Subject to subsection (d), but notwithstanding
18 ~~Notwithstanding~~ any other provision of this Article, for a
19 person who first becomes a fireman under this Article on or
20 after January 1, 2011, the annuity to which the surviving
21 spouse is, ~~children, or parents are~~ entitled under this
22 subsection (c) shall be in the amount of 66 2/3% of the
23 fireman's retirement annuity ~~earned pension~~ at the date of the
24 fireman's death.

25 Notwithstanding any other provision of this Article, the
26 monthly annuity of a surviving spouse ~~survivor~~ of a person who

1 first becomes a fireman under this Article on or after January
2 1, 2011 shall be increased on the January 1 after attainment of
3 age 60 by the recipient of the survivor's pension and each
4 January 1 thereafter by 3% or one-half the annual unadjusted
5 percentage increase in the consumer price index-u for the 12
6 months ending with September preceding each November 1,
7 whichever is less, of the originally granted survivor's
8 annuity. If the annual unadjusted percentage change in the
9 consumer price index-u for a 12-month period ending in
10 September is zero or, when compared with the preceding period,
11 decreases, then the annuity shall not be increased.

12 (d) Notwithstanding the provisions of subsection (c) of
13 this Section:

14 (1) Any surviving spouse of a deceased fireman shall be
15 paid an amount no less than the amount of the minimum
16 widow's annuity, as provided for in Section 6-128.4.

17 (2) If the deceased fireman was an active fireman at
18 the time of his or her death and had completed at least 10
19 years of creditable service, the surviving spouse shall be
20 entitled to an amount equal to 66 2/3% of the retirement
21 annuity that the deceased fireman would have been eligible
22 to receive under subsection (b) of this Section, based upon
23 the actual service accrued through the day before the
24 fireman's death and as if the fireman had attained age 55
25 on the day before his or her death and retired on that day.
26 Notwithstanding any other provision of this Article, the

1 monthly annuity provided for in this subsection (d) of a
2 surviving spouse of a person who first becomes a fireman under
3 this Article on or after January 1, 2011 shall be increased on
4 the January 1 after attainment of age 60 by the recipient of
5 the survivor's annuity and on each January 1 thereafter by 3%
6 or one-half the annual unadjusted percentage increase in the
7 consumer price index-u for the 12 months ending with September
8 preceding each November 1, whichever is less, of the originally
9 granted survivor's annuity. If the annual unadjusted
10 percentage change in the consumer price index-u for a 12-month
11 period ending in September is zero or, when compared with the
12 preceding period, decreases, then the annuity shall not be
13 increased.

14 The provisions of this subsection (d) apply without regard
15 to whether the death of the deceased fireman may have occurred
16 prior to the effective date of this amendatory Act of the 99th
17 General Assembly.

18 (e) For the purposes of Section 1-103.1 of this Code, the
19 changes to this Section made by this amendatory Act of the 99th
20 General Assembly apply without regard to whether the fireman
21 was in service on or after the effective date of this
22 amendatory Act.

23 (Source: P.A. 96-1495, eff. 1-1-11.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.