

AN ACT concerning local government.

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

Section 5. The Local Government Wage Increase Transparency Act is amended by changing Section 5 as follows:

(50 ILCS 155/5)

Sec. 5. Disclosure of certain wage increases made to employees under Article 7 of the Illinois Pension Code.

(a) This Section applies only to a participating employee under Article 7 of the Illinois Pension Code (IMRF) who began participation before January 1, 2011 and who is not subject to a collective bargaining agreement with respect to the employment upon which the participation is based.

(b) The definitions in Article 7 of the Illinois Pension Code also apply to this Section.

As used in this Section, "disclosable payment" means a payment, whether in the form of an increase in the rate of earnings or a lump-sum payment, that:

(1) would be made by a participating employer to a participating employee after the employee has expressed to the employer his or her intent to retire or withdraw from service;

(2) would have the effect of increasing the employee's

reportable monthly earnings from that employer by more than 6% compared to the previous month; and

(3) would be made between 12 months and 90 days prior to the employee's expected termination of service.

"Disclosable payment" also includes accumulated sick leave.

However, "disclosable payment" does not include a refund of contributions or any payment required to be paid by State or federal law.

(c) A disclosable payment shall not be made or payable unless the governing body of that participating employer has first discussed the specific payment to be made at a meeting open to the public and posted and held in accordance with the requirements of the Open Meetings Act. At the meeting, the governing body shall, at a minimum, disclose (1) the identity of the employee, (2) the purpose and amount of the increase or payment, (3) the proposed retirement date, (4) the effect of the payment upon the expected retirement annuity of the employee, and (5) the effect of the payment upon the liability of the employer to the Article 7 Fund.

(d) The determination of whether the disclosable payment is permissible under this Section shall rest exclusively with the employer.

(e) A participating employer may not make a disclosable payment to an employee in a manner inconsistent with this Section. This Section is a denial and limitation of home rule

Public Act 101-0228

HB0303 Enrolled

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powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(Source: P.A. 99-646, eff. 7-28-16.)

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