



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB1310

Introduced 1/28/2025, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

40 ILCS 5/4-109	from Ch. 108 1/2, par. 4-109
40 ILCS 5/4-109.1	from Ch. 108 1/2, par. 4-109.1
30 ILCS 805/8.49 new	

Amends the Downstate Firefighter Article of the Illinois Pension Code. In a provision that reduces the amount of the pension for a Tier 2 firefighter who retires with at least 10 years of creditable service before attaining age 55, provides that the pension of a Tier 2 firefighter who is retiring after attaining age 50 with 20 or more years of creditable service shall not be reduced. Makes a conforming change. Provides that each annual increase for Tier 2 firefighters shall be increased on the January 1 occurring either on or after the attainment of age 55 (instead of age 60) or the first anniversary of the pension start date, whichever is later, and shall be calculated at 3% of the originally granted pension (instead of calculated at the lesser of 3% or one-half the annual unadjusted percentage increase in the consumer price index-u for a 12-month period ending in September preceding each November 1). Provides that the changes shall apply without regard to whether a Tier 2 firefighter is in active service under the Article on or after the effective date of the amendatory Act. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB104 07508 RPS 17552 b

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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
5 changing Sections 4-109 and 4-109.1 as follows:

6 (40 ILCS 5/4-109) (from Ch. 108 1/2, par. 4-109)
7 Sec. 4-109. Pension.

8 (a) A firefighter age 50 or more with 20 or more years of
9 creditable service, who is no longer in service as a
10 firefighter, shall receive a monthly pension of 1/2 the
11 monthly salary attached to the rank held by him or her in the
12 fire service at the date of retirement.

13 The monthly pension shall be increased by 1/12 of 2.5% of
14 such monthly salary for each additional month over 20 years of
15 service through 30 years of service, to a maximum of 75% of
16 such monthly salary.

17 The changes made to this subsection (a) by this amendatory
18 Act of the 91st General Assembly apply to all pensions that
19 become payable under this subsection on or after January 1,
20 1999. All pensions payable under this subsection that began on
21 or after January 1, 1999 and before the effective date of this
22 amendatory Act shall be recalculated, and the amount of the
23 increase accruing for that period shall be payable to the

1 pensioner in a lump sum.

2 (b) A firefighter who retires or is separated from service
3 having at least 10 but less than 20 years of creditable
4 service, who is not entitled to receive a disability pension,
5 and who did not apply for a refund of contributions at his or
6 her last separation from service shall receive a monthly
7 pension upon attainment of age 60 based on the monthly salary
8 attached to his or her rank in the fire service on the date of
9 retirement or separation from service according to the
10 following schedule:

11 For 10 years of service, 15% of salary;
12 For 11 years of service, 17.6% of salary;
13 For 12 years of service, 20.4% of salary;
14 For 13 years of service, 23.4% of salary;
15 For 14 years of service, 26.6% of salary;
16 For 15 years of service, 30% of salary;
17 For 16 years of service, 33.6% of salary;
18 For 17 years of service, 37.4% of salary;
19 For 18 years of service, 41.4% of salary;
20 For 19 years of service, 45.6% of salary.

21 (c) Notwithstanding any other provision of this Article,
22 the provisions of this subsection (c) apply to a person who
23 first becomes a firefighter under this Article on or after
24 January 1, 2011.

25 A firefighter age 55 or more who has 10 or more years of
26 service in that capacity shall be entitled at his option to

1 receive a monthly pension for his service as a firefighter
2 computed by multiplying 2.5% for each year of such service by
3 his or her final average salary.

4 The pension of a firefighter who is retiring after
5 attaining age 50 with 10 or more years but less than 20 years
6 of creditable service shall be reduced by one-half of 1% for
7 each month that the firefighter's age is under age 55.

8 The pension of a firefighter who is retiring after
9 attaining age 50 with 20 or more years of creditable service
10 shall not be reduced.

11 The maximum pension under this subsection (c) shall be 75%
12 of final average salary.

13 For the purposes of this subsection (c), "final average
14 salary" means the greater of: (i) the average monthly salary
15 obtained by dividing the total salary of the firefighter
16 during the 48 consecutive months of service within the last 60
17 months of service in which the total salary was the highest by
18 the number of months of service in that period; or (ii) the
19 average monthly salary obtained by dividing the total salary
20 of the firefighter during the 96 consecutive months of service
21 within the last 120 months of service in which the total salary
22 was the highest by the number of months of service in that
23 period.

24 Beginning on January 1, 2011, for all purposes under this
25 Code (including without limitation the calculation of benefits
26 and employee contributions), the annual salary based on the

1 plan year of a member or participant to whom this Section
2 applies shall not exceed \$106,800; however, that amount shall
3 annually thereafter be increased by the lesser of (i) 3% of
4 that amount, including all previous adjustments, or (ii) the
5 annual unadjusted percentage increase (but not less than zero)
6 in the consumer price index-u for the 12 months ending with the
7 September preceding each November 1, including all previous
8 adjustments.

9 Nothing in this amendatory Act of the 101st General
10 Assembly shall cause or otherwise result in any retroactive
11 adjustment of any employee contributions.

12 (Source: P.A. 101-610, eff. 1-1-20.)

13 (40 ILCS 5/4-109.1) (from Ch. 108 1/2, par. 4-109.1)

14 Sec. 4-109.1. Increase in pension.

15 (a) Except as provided in subsection (e), the monthly
16 pension of a firefighter who retires after July 1, 1971 and
17 prior to January 1, 1986, shall, upon either the first of the
18 month following the first anniversary of the date of
19 retirement if 60 years of age or over at retirement date, or
20 upon the first day of the month following attainment of age 60
21 if it occurs after the first anniversary of retirement, be
22 increased by 2% of the originally granted monthly pension and
23 by an additional 2% in each January thereafter. Effective
24 January 1976, the rate of the annual increase shall be 3% of
25 the originally granted monthly pension.

1 (b) The monthly pension of a firefighter who retired from
2 service with 20 or more years of service, on or before July 1,
3 1971, shall be increased, in January of the year following the
4 year of attaining age 65 or in January 1972, if then over age
5 65, by 2% of the originally granted monthly pension, for each
6 year the firefighter received pension payments. In each
7 January thereafter, he or she shall receive an additional
8 increase of 2% of the original monthly pension. Effective
9 January 1976, the rate of the annual increase shall be 3%.

10 (c) The monthly pension of a firefighter who is receiving
11 a disability pension under this Article shall be increased, in
12 January of the year following the year the firefighter attains
13 age 60, or in January 1974, if then over age 60, by 2% of the
14 originally granted monthly pension for each year he or she
15 received pension payments. In each January thereafter, the
16 firefighter shall receive an additional increase of 2% of the
17 original monthly pension. Effective January 1976, the rate of
18 the annual increase shall be 3%.

19 (c-1) On January 1, 1998, every child's disability benefit
20 payable on that date under Section 4-110 or 4-110.1 shall be
21 increased by an amount equal to 1/12 of 3% of the amount of the
22 benefit, multiplied by the number of months for which the
23 benefit has been payable. On each January 1 thereafter, every
24 child's disability benefit payable under Section 4-110 or
25 4-110.1 shall be increased by 3% of the amount of the benefit
26 then being paid, including any previous increases received

1 under this Article. These increases are not subject to any
2 limitation on the maximum benefit amount included in Section
3 4-110 or 4-110.1.

4 (c-2) On July 1, 2004, every pension payable to or on
5 behalf of a minor or disabled surviving child that is payable
6 on that date under Section 4-114 shall be increased by an
7 amount equal to $1/12$ of 3% of the amount of the pension,
8 multiplied by the number of months for which the benefit has
9 been payable. On July 1, 2005, July 1, 2006, July 1, 2007, and
10 July 1, 2008, every pension payable to or on behalf of a minor
11 or disabled surviving child that is payable under Section
12 4-114 shall be increased by 3% of the amount of the pension
13 then being paid, including any previous increases received
14 under this Article. These increases are not subject to any
15 limitation on the maximum benefit amount included in Section
16 4-114.

17 (d) The monthly pension of a firefighter who retires after
18 January 1, 1986, shall, upon either the first of the month
19 following the first anniversary of the date of retirement if
20 55 years of age or over, or upon the first day of the month
21 following attainment of age 55 if it occurs after the first
22 anniversary of retirement, be increased by $1/12$ of 3% of the
23 originally granted monthly pension for each full month that
24 has elapsed since the pension began, and by an additional 3% in
25 each January thereafter.

26 The changes made to this subsection (d) by this amendatory

1 Act of the 91st General Assembly apply to all initial
2 increases that become payable under this subsection on or
3 after January 1, 1999. All initial increases that became
4 payable under this subsection on or after January 1, 1999 and
5 before the effective date of this amendatory Act shall be
6 recalculated and the additional amount accruing for that
7 period, if any, shall be payable to the pensioner in a lump
8 sum.

9 (e) Notwithstanding the provisions of subsection (a), upon
10 the first day of the month following (1) the first anniversary
11 of the date of retirement, or (2) the attainment of age 55, or
12 (3) July 1, 1987, whichever occurs latest, the monthly pension
13 of a firefighter who retired on or after January 1, 1977 and on
14 or before January 1, 1986 and did not receive an increase under
15 subsection (a) before July 1, 1987, shall be increased by 3% of
16 the originally granted monthly pension for each full year that
17 has elapsed since the pension began, and by an additional 3% in
18 each January thereafter. The increases provided under this
19 subsection are in lieu of the increases provided in subsection
20 (a).

21 (f) In July 2009, the monthly pension of a firefighter who
22 retired before July 1, 1977 shall be recalculated and
23 increased to reflect the amount that the firefighter would
24 have received in July 2009 had the firefighter been receiving
25 a 3% compounded increase for each year he or she received
26 pension payments after January 1, 1986, plus any increases in

1 pension received for each year prior to January 1, 1986. In
2 each January thereafter, he or she shall receive an additional
3 increase of 3% of the amount of the pension then being paid.
4 The changes made to this Section by this amendatory Act of the
5 96th General Assembly apply without regard to whether the
6 firefighter was in service on or after its effective date.

7 (g) Notwithstanding any other provision of this Article,
8 the monthly pension of a person who first becomes a
9 firefighter under this Article on or after January 1, 2011
10 shall be increased on the January 1 occurring either on or
11 after the attainment of age 55 ~~60~~ or the first anniversary of
12 the pension start date, whichever is later. Each annual
13 increase shall be calculated at 3% ~~or one-half the annual~~
14 ~~unadjusted percentage increase (but not less than zero) in the~~
15 ~~consumer price index u for the 12 months ending with the~~
16 ~~September preceding each November 1, whichever is less,~~ of the
17 originally granted pension. ~~If the annual unadjusted~~
18 ~~percentage change in the consumer price index u for a 12 month~~
19 ~~period ending in September is zero or, when compared with the~~
20 ~~preceding period, decreases, then the pension shall not be~~
21 ~~increased.~~

22 ~~For the purposes of this subsection (g), "consumer price~~
23 ~~index u" means the index published by the Bureau of Labor~~
24 ~~Statistics of the United States Department of Labor that~~
25 ~~measures the average change in prices of goods and services~~
26 ~~purchased by all urban consumers, United States city average,~~

1 ~~all items, 1982-84 = 100. The new amount resulting from each~~
2 ~~annual adjustment shall be determined by the Public Pension~~
3 ~~Division of the Department of Insurance and made available to~~
4 ~~the boards of the pension funds.~~

5 Notwithstanding Section 1-103.1, the changes made by this
6 amendatory Act of the 104th General Assembly apply without
7 regard to whether the person who first became a firefighter
8 under this Article on or after January 1, 2011 is in active
9 service under this Article on or after the effective date of
10 this amendatory Act of the 104th General Assembly.

11 (Source: P.A. 96-775, eff. 8-28-09; 96-1495, eff. 1-1-11.)

12 Section 90. The State Mandates Act is amended by adding
13 Section 8.49 as follows:

14 (30 ILCS 805/8.49 new)

15 Sec. 8.49. Exempt mandate. Notwithstanding Sections 6 and
16 8 of this Act, no reimbursement by the State is required for
17 the implementation of any mandate created by this amendatory
18 Act of the 104th General Assembly.

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