

HB3657



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3657

Introduced 2/18/2025, by Rep. Kimberly Du Buclet

SYNOPSIS AS INTRODUCED:

40 ILCS 5/13-207

from Ch. 108 1/2, par. 13-207

40 ILCS 5/13-310

from Ch. 108 1/2, par. 13-310

40 ILCS 5/13-706

from Ch. 108 1/2, par. 13-706

Amends the Metropolitan Water Reclamation District Article of the Illinois Pension Code. Provides that an ordinary disability benefit shall be allowed only if the employee is examined, at least annually, by a licensed health care professional appointed by the Board of Trustees of the Fund. In the definition of "salary", provides that, for a member on a disability benefit, salary is the salary on which the disability benefit is based. Provides that the Board has the power to issue subpoenas to compel the attendance of witnesses to testify before the Board and to compel the production of documents and records upon any matter concerning the Fund, including in conjunction with specified matters. Sets forth provisions concerning fees of witnesses for attendance and travel and compliance with a subpoena.

LRB104 08622 RPS 18674 b

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 13-207, 13-310, and 13-706 as follows:

6 (40 ILCS 5/13-207) (from Ch. 108 1/2, par. 13-207)

7 Sec. 13-207. "Salary": The salary paid to an employee for
8 service to the District or to the Board, including salary paid
9 for vacation and sick leave and any amounts deferred under a
10 deferred compensation plan established under this Code, but
11 excluding (1) payment for unused vacation or sick leave, (2)
12 overtime pay, (3) termination pay, and (4) any compensation in
13 the form of benefits other than the salary. Salary for a member
14 on a disability benefit is the salary on which the disability
15 benefit is based.

16 (Source: P.A. 90-12, eff. 6-13-97.)

17 (40 ILCS 5/13-310) (from Ch. 108 1/2, par. 13-310)

18 Sec. 13-310. Ordinary disability benefit.

19 (a) Any employee who becomes disabled as the result of any
20 cause other than injury or illness incurred in the performance
21 of duty for the employer or any other employer, or while
22 engaged in self-employment activities, shall be entitled to an

1 ordinary disability benefit. The eligible period for this
2 benefit shall be 25% of the employee's total actual service
3 prior to the date of disability with a cumulative maximum
4 period of 5 years.

5 (b) The benefit shall be allowed only if the employee
6 files an application in writing with the Board that includes,
7 and a medical report ~~is submitted~~ by at least one licensed
8 health care professional and the employee is examined, at
9 least annually, by a licensed health care professional
10 appointed by the Board as part of the employee's application.

11 The benefit is not payable for any disability which begins
12 during any period of unpaid leave of absence. No benefit shall
13 be allowed for any period of disability prior to 30 days before
14 application is made, unless the Board finds good cause for the
15 delay in filing the application. The benefit shall not be paid
16 during any period for which the employee receives or is
17 entitled to receive any part of salary.

18 The benefit is not payable for any disability which begins
19 during any period of absence from duty other than allowable
20 vacation time in any calendar year. An employee whose
21 disability begins during any such ineligible period of absence
22 from service may not receive benefits until the employee
23 recovers from the disability and is in service for at least 15
24 consecutive working days after such recovery.

25 In the case of an employee who first enters service on or
26 after June 13, 1997, an ordinary disability benefit is not

1 payable for the first 3 days of disability that would
2 otherwise be payable under this Section if the disability does
3 not continue for at least 11 additional days.

4 Beginning on August 18, 2005 (the effective date of Public
5 Act 94-621) ~~this amendatory Act of the 94th General Assembly~~,
6 an employee who first entered service on or after June 13, 1997
7 is also eligible for ordinary disability benefits on the 31st
8 day after the last day worked, provided all sick leave is
9 exhausted.

10 (c) The benefit shall be 50% of the employee's salary at
11 the date of disability, and shall terminate when the earliest
12 of the following occurs:

13 (1) The employee returns to work or receives a
14 retirement annuity paid wholly or in part under this
15 Article;

16 (2) The disability ceases;

17 (3) The employee willfully and continuously refuses to
18 follow medical advice and treatment to enable the employee
19 to return to work. However, this provision does not apply
20 to an employee who relies in good faith on treatment by
21 prayer through spiritual means alone in accordance with
22 the tenets and practice of a recognized church or
23 religious denomination, by a duly accredited practitioner
24 thereof;

25 (4) The employee (i) refuses to submit to a reasonable
26 physical examination within 30 days of application by a

1 licensed health care professional appointed by the Board,
2 (ii) in the case of chronic alcoholism, the employee
3 refuses to join a rehabilitation program licensed by the
4 Department of Public Health of the State of Illinois and
5 certified by the Joint Commission on the Accreditation of
6 Hospitals, (iii) fails or refuses to consent to and sign
7 an authorization allowing the Board to receive copies of
8 or to examine the employee's medical and hospital records,
9 or (iv) fails or refuses to provide complete information
10 regarding any other employment for compensation he or she
11 has received since becoming disabled; or

12 (5) The eligibility ~~eligible~~ period for this benefit
13 has been exhausted.

14 The first payment of the benefit shall be made not later
15 than one month after the same has been granted, and subsequent
16 payments shall be made at least monthly.

17 (Source: P.A. 102-210, eff. 7-30-21; 103-523, eff. 1-1-24;
18 revised 7-17-24.)

19 (40 ILCS 5/13-706) (from Ch. 108 1/2, par. 13-706)
20 Sec. 13-706. Board powers and duties. The Board shall have
21 the powers and duties set forth in this Section, in addition to
22 such other powers and duties as may be provided in this Article
23 and in this Code:

24 (a) To supervise collections. To see that all amounts
25 specified in this Article to be applied to the Fund, from

1 any source, are collected and applied.

2 (b) To notify of deductions. To notify the Clerk of
3 the Water Reclamation District of the deductions to be
4 made from the salaries of employees.

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

8 (d) To invest the reserves. To invest the reserves of
9 the Fund in accordance with the provisions set forth in
10 Section 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and
11 1-115 of this Code. Investments made in accordance with
12 Section 1-113 of Article 1 of this Code shall be deemed
13 prudent. The Board is also authorized to transfer
14 securities to the Illinois State Board of Investment for
15 the purpose of participation in any commingled investment
16 fund as provided in Article 22A of this Code.

17 (e) To authorize payments. To consider and pass upon
18 all applications for annuities and benefits; to authorize
19 or suspend the payment of any annuity or benefit; to
20 inquire into the validity and legality of any grant of
21 annuity or benefit paid from or payable out of the Fund; to
22 increase, reduce, or suspend any such annuity or benefit
23 whenever the annuity or benefit, or any part thereof, was
24 secured or granted, or the amount thereof fixed, as the
25 result of misrepresentation, fraud, or error. No such
26 annuity or benefit shall be permanently reduced or

1 suspended until the affected annuitant or beneficiary is
2 first notified of the proposed action and given an
3 opportunity to be heard. No trustee of the Board shall
4 vote upon that trustee's own personal claim for annuity,
5 benefit or refund, or participate in the deliberations of
6 the Board as to the validity of any such claim. The Board
7 shall have exclusive original jurisdiction in all matters
8 of claims for annuities, benefits and refunds.

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

14 (1) A balance sheet, showing the financial and
15 actuarial condition of the Fund as of the end of the
16 calendar year;

17 (2) A statement of receipts and disbursements
18 during such year;

19 (3) A statement showing changes in the asset,
20 liability, reserve and surplus accounts during such
21 year;

22 (4) A detailed statement of investments as of the
23 end of the year; and

24 (5) Any additional information as is deemed
25 necessary for proper interpretation of the condition
26 of the Fund.

(g) To subpoena witnesses and compel the production of records. To issue subpoenas to compel the attendance of witnesses to testify before the Board and to compel the production of documents and records upon any matter concerning the Fund, including, but not limited to, in conjunction with:

(1) a disability claim;

(2) an administrative review proceeding;

(3) an attempt to obtain information to assist in

the collection of sums due to the Fund;

(4) obtaining any and all personal identifying information necessary for the administration of benefits;

(5) the determination of the death of a benefit recipient or a potential benefit recipient; or

(6) a felony forfeiture investigation.

The fees of witnesses for attendance and travel shall be the same as the fees of witnesses before the circuit courts of this State and shall be paid by the party seeking the subpoena.

The Board may apply to any circuit court in the State for an order requiring compliance with a subpoena issued under this Section. Subpoenas issued under this Section shall be subject

to the applicable provisions of the Code of Civil Procedure.
The President or other members of the Board may administer

oaths to witnesses. To compel witnesses to attend and testify before it upon any matter concerning the Fund and allow

1 ~~witness fees not in excess of \$6 for attendance upon any one~~
2 ~~day. The President and other members of the Board may~~
3 ~~administer oaths to witnesses.~~

4 (h) To appoint employees and consultants. To appoint
5 such actuarial, medical, legal, investigational, clerical
6 or financial employees and consultants as are necessary,
7 and fix their compensation.

8 (i) To make rules. To make rules and regulations
9 necessary for the administration of the affairs of the
10 Fund.

11 (j) To waive guardianship. To waive the requirement of
12 legal guardianship of a person under legal disability or
13 any minor unmarried beneficiary of the Fund for a
14 representative managing such person or beneficiary's
15 affairs, whenever the Board deems such waiver to be in the
16 best interest of the person or beneficiary.

17 (k) To collect amounts due. To collect any amounts due
18 to the Fund from any participant or beneficiary prior to
19 payment of any annuity, benefit or refund.

20 (l) To invoke rule of offset. To offset against any
21 amount payable to an employee or to any other person such
22 sums as may be due to the Fund or may have been paid by the
23 Fund due to misrepresentation, fraud or error.

24 (m) To assess and collect interest on amounts due to
25 the Fund using the annual rate as shall from time to time
26 be determined by the Board, compounded annually from the

1 date of notification to the date of payment.

2 (Source: P.A. 103-523, eff. 1-1-24.)