



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1585

Introduced 2/4/2025, by Sen. Willie Preston

SYNOPSIS AS INTRODUCED:

40 ILCS 5/4-108.6
40 ILCS 5/4-108.9 new
40 ILCS 5/6-227
40 ILCS 5/6-227.2 new
30 ILCS 805/8.49 new

Amends the Downstate Firefighter and Chicago Firefighter Articles of the Illinois Pension Code. Provides that until 6 months after the effective date of the amendatory Act, creditable service may be transferred from municipal firefighters' pension funds to the Firemen's Annuity and Benefit Fund of Chicago. Removes a provision restricting the amount of creditable service that may be transferred. Authorizes, until 6 months after the effective date of the amendatory Act, the transfer of creditable service from the Firemen's Annuity and Benefit Fund of Chicago to municipal firefighters' pension funds. Amends the State Mandates Act to provide for implementation without reimbursement. Effective immediately.

LRB104 07400 RPS 17441 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 4-108.6 and 6-227 and by adding Sections
6 4-108.9 and 6-227.2 as follows:

7 (40 ILCS 5/4-108.6)

8 Sec. 4-108.6. Transfer of creditable service to the
9 Firemen's Annuity and Benefit Fund of Chicago.

10 (a) Until 6 months after the effective date of this
11 amendatory Act of the 104th General Assembly ~~the effective~~
12 ~~date of this amendatory Act of the 100th General Assembly~~, any
13 active member of the Firemen's Annuity and Benefit Fund of
14 Chicago may apply for transfer of ~~up to 10 years of~~ creditable
15 service accumulated in any pension fund established under this
16 Article to the Firemen's Annuity and Benefit Fund of Chicago.
17 Such creditable service shall be transferred only upon payment
18 by such pension fund to the Firemen's Annuity and Benefit Fund
19 of Chicago of an amount equal to:

20 (1) the amounts accumulated to the credit of the
21 applicant on the books of the fund on the date of transfer;

22 (2) employer contributions in an amount equal to the
23 amount determined under subparagraph (1); and

1 (3) any interest paid by the applicant in order to
2 reinstate service.

3 Participation in such pension fund as to any credits
4 transferred under this Section shall terminate on the date of
5 transfer.

6 (b) An active member of the Firemen's Annuity and Benefit
7 Fund of Chicago applying for a transfer of creditable service
8 under subsection (a) may reinstate credits and creditable
9 service terminated upon receipt of a refund by payment to the
10 Firemen's Annuity and Benefit Fund of Chicago of the amount of
11 the refund with interest thereon at the actuarially assumed
12 rate, compounded annually, from the date of the refund to the
13 date of payment.

14 (Source: P.A. 100-544, eff. 11-8-17.)

15 (40 ILCS 5/4-108.9 new)

16 Sec. 4-108.9. Transfer of creditable service from the
17 Firemen's Annuity and Benefit Fund of Chicago. Until 6 months
18 after the effective date of this amendatory Act of the 104th
19 General Assembly, any active participant in a fund established
20 under this Article may transfer to that fund creditable
21 service accumulated under Article 6 of this Code upon payment
22 to the Article 4 fund, within 5 years after the date of
23 application, of an amount equal to the difference between the
24 amount of employee and employer contributions transferred to
25 the Article 4 fund under Section 6-227.2 and the amounts

1 determined by the Article 4 fund in accordance with this
2 Section, plus interest on that difference at the actuarially
3 assumed rate, compounded annually, from the date of service to
4 the date of payment.

5 The Article 4 fund must determine the firefighter's
6 payment required to establish creditable service under this
7 Section by taking into account the appropriate actuarial
8 assumptions, including without limitation the firefighter's
9 service, age, and salary history; the level of funding of the
10 Article 4 fund; and any other factors that the Article 4 fund
11 determines to be relevant. For this purpose, the firefighter's
12 required payment should result in no significant increase to
13 the Article 4 fund's unfunded actuarial accrued liability
14 determined as of the most recent actuarial valuation, based on
15 the same assumptions and methods used to develop and report
16 the Article 4 fund's actuarial accrued liability and actuarial
17 value of assets under Statement No. 25 of Governmental
18 Accounting Standards Board or any subsequent applicable
19 Statement.

20 (40 ILCS 5/6-227)

21 Sec. 6-227. Transfer of creditable service from Article 4.
22 Until 6 months after the effective date of this amendatory Act
23 of the 104th General Assembly ~~the effective date of this~~
24 ~~amendatory Act of the 100th General Assembly~~, any active
25 member of the Firemen's Annuity and Benefit Fund of Chicago

1 may transfer to the Fund ~~up to a total of 10 years of~~
2 creditable service accumulated under Article 4 of this Code
3 upon payment to the Fund within 5 years after the date of
4 application of an amount equal to the difference between the
5 amount of employee and employer contributions transferred to
6 the Fund under Section 4-108.6 and the amounts determined by
7 the Fund in accordance with this Section, plus interest on
8 that difference at the actuarially assumed rate, compounded
9 annually, from the date of service to the date of payment.

10 The Fund must determine the fireman's payment required to
11 establish creditable service under this Section by taking into
12 account the appropriate actuarial assumptions, including
13 without limitation the fireman's service, age, and salary
14 history; the level of funding of the Fund; and any other
15 factors that the Fund determines to be relevant. For this
16 purpose, the fireman's required payment should result in no
17 significant increase to the Fund's unfunded actuarial accrued
18 liability determined as of the most recent actuarial
19 valuation, based on the same assumptions and methods used to
20 develop and report the Fund's actuarial accrued liability and
21 actuarial value of assets under Statement No. 25 of
22 Governmental Accounting Standards Board or any subsequent
23 applicable Statement.

24 (Source: P.A. 100-544, eff. 11-8-17.)

1 Sec. 6-227.2. Transfer of creditable service to Article 4.

2 (a) Until 6 months after the effective date of this
3 amendatory Act of the 104th General Assembly, any active
4 participant in an Article 4 pension fund may apply for
5 transfer of creditable service accumulated in the Firemen's
6 Annuity and Benefit Fund of Chicago to any Article 4 pension
7 fund. Such creditable service shall be transferred only upon
8 payment by the Firemen's Annuity and Benefit Fund of Chicago
9 to the Article 4 fund of an amount equal to:

10 (1) the amounts accumulated to the credit of the
11 applicant on the books of the fund on the date of transfer;

12 (2) employer contributions in an amount equal to the
13 amount determined under subparagraph (1); and

14 (3) any interest paid by the applicant in order to
15 reinstate service.

16 Participation in the Firemen's Annuity and Benefit Fund of
17 Chicago as to any credits transferred under this Section shall
18 terminate on the date of transfer.

19 (b) An active participant in an Article 4 pension fund
20 applying for a transfer of creditable service under subsection
21 (a) may reinstate credits and creditable service terminated
22 upon receipt of a refund by payment to the Article 4 pension
23 fund of the amount of the refund with interest thereon at the
24 actuarially assumed rate, compounded annually, from the date
25 of the refund to the date of payment.

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.49 as follows:

3 (30 ILCS 805/8.49 new)

4 Sec. 8.49. Exempt mandate. Notwithstanding Sections 6 and
5 8 of this Act, no reimbursement by the State is required for
6 the implementation of any mandate created by this amendatory
7 Act of the 104th General Assembly.

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