

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 adding
5 Sections 4-108.7 and 6-227.1 as follows:

6 (40 ILCS 5/4-108.7 new)

7 Sec. 4-108.7. Transfer of creditable service from the
8 Firemen's Annuity and Benefit Fund of Chicago. Until 6 months
9 after the effective date of this amendatory Act of the 101st
10 General Assembly, any active participant in a fund established
11 under this Article may transfer to that fund creditable service
12 accumulated under Article 6 of this Code upon payment to the
13 Article 4 fund, within 5 years after the date of application,
14 of an amount equal to the difference between the amount of
15 employee and employer contributions transferred to the Article
16 4 fund under Section 6-227.1 and the amounts determined by the
17 Article 4 fund in accordance with this Section, plus interest
18 on that difference at the actuarially assumed rate, compounded
19 annually, from the date of service to the date of payment.

20 The Article 4 fund must determine the firefighter's payment
21 required to establish creditable service under this Section by
22 taking into account the appropriate actuarial assumptions,
23 including without limitation the firefighter's service, age,

1 and salary history; the level of funding of the Article 4 fund;
2 and any other factors that the Article 4 fund determines to be
3 relevant. For this purpose, the firefighter's required payment
4 should result in no significant increase to the Article 4
5 fund's unfunded actuarial accrued liability determined as of
6 the most recent actuarial valuation, based on the same
7 assumptions and methods used to develop and report the Article
8 4 fund's actuarial accrued liability and actuarial value of
9 assets under Statement No. 25 of Governmental Accounting
10 Standards Board or any subsequent applicable Statement.

11 (40 ILCS 5/6-227.1 new)

12 Sec. 6-227.1. Transfer of creditable service to Article 4.

13 (a) Until 6 months after the effective date of this
14 amendatory Act of the 101st General Assembly, any active
15 participant in an Article 4 pension fund may apply for transfer
16 of creditable service accumulated in the Firemen's Annuity and
17 Benefit Fund of Chicago to any Article 4 pension fund. Such
18 creditable service shall be transferred only upon payment by
19 the Firemen's Annuity and Benefit Fund of Chicago to the
20 Article 4 fund of an amount equal to:

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

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

25 (3) any interest paid by the applicant in order to

1 reinstate service.

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

5 (b) An active participant in an Article 4 pension fund
6 applying for a transfer of creditable service under subsection
7 (a) may reinstate credits and creditable service terminated
8 upon receipt of a refund by payment to the Article 4 pension
9 fund of the amount of the refund with interest thereon at the
10 actuarially assumed rate, compounded annually, from the date of
11 the refund to the date of payment.

12 Section 90. The State Mandates Act is amended by adding
13 Section 8.43 as follows:

14 (30 ILCS 805/8.43 new)

15 Sec. 8.43. Exempt mandate. Notwithstanding Sections 6 and 8
16 of this Act, no reimbursement by the State is required for the
17 implementation of any mandate created by this amendatory Act of
18 the 101st General Assembly.

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