



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4100

Introduced 6/15/2021, by Rep. Kelly M. Burke

SYNOPSIS AS INTRODUCED:

40 ILCS 5/9-169	from Ch. 108 1/2, par. 9-169
40 ILCS 5/10-107	from Ch. 108 1/2, par. 10-107
30 ILCS 805/8.45 new	

Amends the Cook County and Cook County Forest Preserve Articles of the Illinois Pension Code. Specifies the amount of the county's and the forest preserve district's required annual contributions through payment year 2025. Provides that for payment years 2026 through 2063, the county's and forest preserve district's required annual contributions to the Fund shall be the amount determined by the Fund to be equal to the sum of (i) the county's or forest preserve district's portion of the projected normal cost for that fiscal year, plus (ii) an amount determined on a level percentage of applicable employee payroll basis that is sufficient to bring the total actuarial assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of 2063. Specifies a formula for payment years after 2063. Provides that, in lieu of levying all or a portion of the required tax in any year, the county or forest preserve district may deposit with the county treasurer for the benefit of the fund an amount that, together with the taxes levied for that year, is not less than the amount of the county's or forest preserve district's contributions for that year as certified by the board of the Fund to the county board or forest preserve district. Provides that the county or forest preserve district may continue to use other lawfully available funds to make the contribution in lieu of all or part of the levy. Makes other changes. Amends the State Mandates Act to require implementation without reimbursement by the State.

LRB102 18820 RPS 27526 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

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 9-169 and 10-107 as follows:

6 (40 ILCS 5/9-169) (from Ch. 108 1/2, par. 9-169)
7 Sec. 9-169. Financing - Tax levy.

8 (a) The county board shall levy a tax annually upon all
9 taxable property in the county at the rate that will produce a
10 sum which, when added to the amounts deducted from the
11 salaries of the employees or otherwise contributed by them is
12 sufficient for the requirements of this Article.

13 For the years before 1962 the tax rate shall be as provided
14 in "The 1925 Act". For the years 1962 and 1963 the tax rate
15 shall be not more than .0200 per cent; for the years 1964 and
16 1965 the tax rate shall be not more than .0202 per cent; for
17 the years 1966 and 1967 the tax rate shall be not more than
18 .0207 per cent; for the year 1968 the tax rate shall be not
19 more than .0220 per cent; for the year 1969 the tax rate shall
20 be not more than .0233 per cent; for the year 1970 the tax rate
21 shall be not more than .0255 per cent; for the year 1971 the
22 tax rate shall be not more than .0268 per cent of the value, as
23 equalized or assessed by the Department of Revenue upon all

1 taxable property in the county. Beginning with the year 1972
2 and for each year thereafter the county shall levy a tax
3 annually at a rate on the dollar of the value, as equalized or
4 assessed by the Department of Revenue of all taxable property
5 within the county that will produce, when extended, not to
6 exceed an amount equal to the total amount of contributions
7 made by the employees to the fund in the calendar year 2 years
8 prior to the year for which the annual applicable tax is levied
9 multiplied by .8 for the years 1972 through 1976; by .8 for the
10 year 1977; by .87 for the year 1978; by .94 for the year 1979;
11 by 1.02 for the year 1980 and by 1.10 for the year 1981 and by
12 1.18 for the year 1982 and by 1.36 for the year 1983 and by
13 1.54 for the year 1984 and for each year thereafter through
14 levy year 2021. Beginning in levy year 2022, and in each year
15 thereafter, the County shall levy a tax annually at a rate on
16 the dollar of the value, as equalized or assessed by the
17 Department of Revenue of all taxable property within the
18 County that will produce, when extended, an amount equal to no
19 less than the amount of the County's total required
20 contribution to the Fund for the next payment year, as
21 determined under subsection (a-5). For the purposes of this
22 Section, the payment year is the year immediately following
23 the levy year.

24 This tax shall be levied and collected in like manner with
25 the general taxes of the county, and shall be in addition to
26 all other taxes which the county is authorized to levy upon the

1 aggregate valuation of all taxable property within the county
2 and shall be exclusive of and in addition to the amount of tax
3 the county is authorized to levy for general purposes under
4 any laws which may limit the amount of tax which the county may
5 levy for general purposes. The county clerk, in reducing tax
6 levies under any Act concerning the levy and extension of
7 taxes, shall not consider this tax as a part of the general tax
8 levy for county purposes, and shall not include it within any
9 limitation of the per cent of the assessed valuation upon
10 which taxes are required to be extended for the county. It is
11 lawful to extend this tax in addition to the general county
12 rate fixed by statute, without being authorized as additional
13 by a vote of the people of the county.

14 Revenues derived from this tax shall be paid to the
15 treasurer of the county and held by the treasurer of the County
16 ~~him~~ for the benefit of the fund.

17 If the payments on account of taxes are insufficient
18 during any year to meet the requirements of this Article, the
19 county may issue tax anticipation warrants against the current
20 tax levy.

21 The County may continue to use other lawfully available
22 funds in lieu of all or part of the levy, as provided under
23 subsection (f).

24 (a-5)(1) Beginning in payment year 2023, the County's
25 required annual contribution to the Fund for payment years
26 2023 through 2025 shall be: for 2023, \$540,900,000; for 2024,

1 \$551,300,000; and for 2025, \$545,700,000.

2 (2) For payment years 2026 through 2063, the County's
3 required annual contribution to the Fund shall be the amount
4 determined by the Fund to be equal to the sum of (i) the
5 County's portion of the projected normal cost for that fiscal
6 year, plus (ii) an amount determined on a level percentage of
7 applicable employee payroll basis (reflecting any limits on
8 individual participants' pay that apply for benefit and
9 contribution purposes under this plan) that is sufficient to
10 bring the total actuarial assets of the Fund up to 90% of the
11 total actuarial liabilities of the Fund by the end of 2063.

12 (3) For payment years after 2063, the County's required
13 annual contribution to the Fund shall be equal to the amount,
14 if any, needed to bring the total actuarial assets of the Fund
15 up to 90% of the total actuarial liabilities of the Fund by the
16 end of the year.

17 (4) In making the determinations under paragraphs (2) and
18 (3), the actuarial calculations shall be determined under the
19 entry age normal actuarial cost method, and any actuarial
20 gains or losses from investment return incurred in a fiscal
21 year shall be recognized in equal annual amounts over the
22 5-year period following the fiscal year.

23 (5) To the extent that the County's contribution for any
24 of the payment years referenced in this subsection is made
25 with property taxes, those property taxes shall be levied,
26 collected, and paid to the Fund in a like manner with the

1 general taxes of the County.

2 (b) By January 10, annually, the board shall notify the
3 county board of the requirement of this Article that this tax
4 shall be levied. The board shall make an annual determination
5 of the required county contributions, and shall certify the
6 results thereof to the county board.

7 (c) (Blank). ~~The various sums to be contributed by the~~
8 ~~county board and allocated for the purposes of this Article~~
9 ~~and any interest to be contributed by the county shall be taken~~
10 ~~from the revenue derived from this tax and no money of the~~
11 ~~county derived from any source other than the levy and~~
12 ~~collection of this tax or the sale of tax anticipation~~
13 ~~warrants, except state or federal funds contributed for~~
14 ~~annuity and benefit purposes for employees of a county~~
15 ~~department of public aid under "The Illinois Public Aid Code",~~
16 ~~approved April 11, 1967, as now or hereafter amended, may be~~
17 ~~used to provide revenue for the fund.~~

18 ~~If it is not possible or practicable for the county to make~~
19 ~~contributions for age and service annuity and widow's annuity~~
20 ~~concurrently with the employee contributions made for such~~
21 ~~purposes, such county shall make such contributions as soon as~~
22 ~~possible and practicable thereafter with interest thereon at~~
23 ~~the effective rate until the time it shall be made.~~

24 (d) With respect to employees whose wages are funded as
25 participants under the Comprehensive Employment and Training
26 Act of 1973, as amended (P.L. 93-203, 87 Stat. 839, P.L.

1 93-567, 88 Stat. 1845), hereinafter referred to as CETA,
2 subsequent to October 1, 1978, and in instances where the
3 board has elected to establish a manpower program reserve, the
4 board shall compute the amounts necessary to be credited to
5 the manpower program reserves established and maintained as
6 herein provided, and shall make a periodic determination of
7 the amount of required contributions from the County to the
8 reserve to be reimbursed by the federal government in
9 accordance with rules and regulations established by the
10 Secretary of the United States Department of Labor or his
11 designee, and certify the results thereof to the County Board.
12 Any such amounts shall become a credit to the County and will
13 be used to reduce the amount which the County would otherwise
14 contribute during succeeding years for all employees.

15 (e) In lieu of establishing a manpower program reserve
16 with respect to employees whose wages are funded as
17 participants under the Comprehensive Employment and Training
18 Act of 1973, as authorized by subsection (d), the board may
19 elect to establish a special County contribution rate for all
20 such employees. If this option is elected, the County shall
21 contribute to the Fund from federal funds provided under the
22 Comprehensive Employment and Training Act program at the
23 special rate so established and such contributions shall
24 become a credit to the County and be used to reduce the amount
25 which the County would otherwise contribute during succeeding
26 years for all employees.

1 (f) In lieu of levying all or a portion of the tax required
2 under this Section in any year, the County may deposit with the
3 County treasurer for the benefit of the Fund, to be held in
4 accordance with this Article, an amount that, together with
5 the taxes levied under this Section for that year, is not less
6 than the amount of the County's contributions for that year as
7 certified by the board to the County Board. The deposit may be
8 derived from any source legally available for that purpose,
9 including, but not limited to, the proceeds of County
10 borrowings. The making of a deposit shall satisfy fully the
11 requirements of this Section for that year to the extent of the
12 amounts so deposited; however, such action does not relieve
13 the County from fulfilling its obligations of the required
14 annual contribution to the Fund pursuant to subsection (a-5).
15 Amounts deposited under this subsection may be used by the
16 Fund for any of the purposes for which the proceeds of the tax
17 levied by the County under this Section may be used, including
18 the payment of any amount that is otherwise required by this
19 Article to be paid from the proceeds of that tax.

20 (Source: P.A. 95-369, eff. 8-23-07.)

21 (40 ILCS 5/10-107) (from Ch. 108 1/2, par. 10-107)

22 Sec. 10-107. Financing - Tax levy.

23 (a) The forest preserve district may levy an annual tax on
24 the value, as equalized or assessed by the Department of
25 Revenue, of all taxable property in the district for the

1 purpose of providing revenue for the fund. The rate of such tax
2 in any year may not exceed the rate herein specified for that
3 year or the rate which will produce, when extended, the sum
4 herein stated for that year, whichever is higher: for any year
5 prior to 1970, .00103% or \$195,000; for the year 1970, .00111%
6 or \$210,000; for the year 1971, .00116% or \$220,000. For the
7 year 1972 and each year thereafter, the Forest Preserve
8 District shall levy a tax annually at a rate on the dollar of
9 the value, as equalized or assessed by the Department of
10 Revenue upon all taxable property in the county, when
11 extended, not to exceed an amount equal to the total amount of
12 contributions by the employees to the fund made in the
13 calendar year 2 years prior to the year for which the annual
14 applicable tax is levied, multiplied by 1.25 for the year
15 1972; and by 1.30 for the year 1973 and for each year
16 thereafter through levy year 2021. Beginning in levy year
17 2022, and in each year thereafter, the Forest Preserve
18 District shall levy a tax annually at a rate on the dollar of
19 the value, as equalized or assessed by the Department of
20 Revenue, of all taxable property within the county that will
21 produce, when extended, an amount equal to no less than the
22 amount of the Forest Preserve District's total required
23 contribution to the Fund for the next payment year, as
24 determined under subsection (b). For the purposes of this
25 Section, the payment year is the year immediately following
26 the levy year.

1 The tax shall be levied and collected in like manner with
2 the general taxes of the district and shall be in addition to
3 the maximum of all other tax rates which the district may levy
4 upon the aggregate valuation of all taxable property and shall
5 be exclusive of and in addition to the maximum amount and rate
6 of taxes the district may levy for general purposes or under
7 and by virtue of any laws which limit the amount of tax which
8 the district may levy for general purposes. The county clerk
9 of the county in which the forest preserve district is located
10 in reducing tax levies under the provisions of "An Act
11 concerning the levy and extension of taxes", approved May 9,
12 1901, as amended, shall not consider any such tax as a part of
13 the general tax levy for forest preserve purposes, and shall
14 not include the same in the limitation of 1% of the assessed
15 valuation upon which taxes are required to be extended, and
16 shall not reduce the same under the provisions of that Act. The
17 proceeds of the tax herein authorized shall be kept as a
18 separate fund.

19 The Board may establish a manpower program reserve, or a
20 special forest preserve district contribution rate, with
21 respect to employees whose wages are funded as program
22 participants under the Comprehensive Employment and Training
23 Act of 1973 in the manner provided in subsection (d) or (e),
24 respectively, of Section 9-169. The Forest Preserve District
25 may use other lawfully available funds in lieu of all or part
26 of the levy.

1 (b) (1) Beginning in payment year 2023, the Forest Preserve
2 District's required annual contribution to the Fund for
3 payment years 2023 through 2025 shall be: for 2023,
4 \$5,700,000; for 2024, \$7,600,000; and for 2025, \$9,500,000.

5 (2) For payment years 2026 through 2063, the Forest
6 Preserve District's required annual contribution to the Fund
7 shall be the amount determined by the Fund to be equal to the
8 sum of (i) the Forest Preserve District's portion of the
9 projected normal cost for that fiscal year, plus (ii) an
10 amount determined on a level percentage of applicable employee
11 payroll basis (reflecting any limits on individual
12 participants' pay that apply for benefit and contribution
13 purposes under this plan) that is sufficient to bring the
14 total actuarial assets of the Fund up to 90% of the total
15 actuarial liabilities of the Fund by the end of 2063.

16 (3) For payment years after 2063, the Forest Preserve
17 District's required annual contribution to the Fund shall be
18 equal to the amount, if any, needed to bring the total
19 actuarial assets of the Fund up to 90% of the total actuarial
20 liabilities of the Fund by the end of the year.

21 (4) In making the determinations under paragraphs (2) and
22 (3), the actuarial calculations shall be determined under the
23 entry age normal actuarial cost method, and any actuarial
24 gains or losses from investment return incurred in a fiscal
25 year shall be recognized in equal annual amounts over the
26 5-year period following the fiscal year.

1 (5) To the extent that the Forest Preserve District's
2 contribution for any of the payment years referenced in this
3 subsection is made with property taxes, those property taxes
4 shall be levied, collected, and paid to the Fund in a like
5 manner with the general taxes of the Forest Preserve District.

6 (c) In lieu of levying all or a portion of the tax required
7 under this Section in any year, the Forest Preserve District
8 may deposit with the Forest Preserve District treasurer for
9 the benefit of the Fund, to be held in accordance with this
10 Article, an amount that, together with the taxes levied under
11 this Section for that year, is not less than the amount of the
12 Forest Preserve District's contributions for that year as
13 certified by the board to the Forest Preserve District. The
14 deposit may be derived from any source legally available for
15 that purpose, including, but not limited to, the proceeds of
16 Forest Preserve District borrowings. The making of a deposit
17 shall satisfy fully the requirements of this Section for that
18 year to the extent of the amounts so deposited; however, such
19 action does not relieve the Forest Preserve District from
20 fulfilling its obligations of the required annual contribution
21 to the Fund pursuant to subsection (b). Amounts deposited
22 under this subsection may be used by the Fund for any of the
23 purposes for which the proceeds of the tax levied by the Forest
24 Preserve District under this Section may be used, including
25 the payment of any amount that is otherwise required by this
26 Article to be paid from the proceeds of that tax.

1 (Source: P.A. 81-1509.)

2 Section 90. The State Mandates Act is amended by adding
3 Section 8.45 as follows:

4 (30 ILCS 805/8.45 new)

5 Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and
6 8 of this Act, no reimbursement by the State is required for
7 the implementation of any mandate created by this amendatory
8 Act of the 102nd General Assembly.