

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 13-309, 13-310, 13-314, and 13-706 and by
6 adding Section 13-209.5 as follows:

7 (40 ILCS 5/13-209.5 new)

8 Sec. 13-209.5. Licensed health care professional.

9 "Licensed health care professional" means any individual who
10 has obtained a license through the Department of Financial and
11 Professional Regulation under the Medical Practice Act of 1987
12 or under the Physician Assistant Practice Act of 1987 or an
13 advanced practice registered nurse licensed under the Nurse
14 Practice Act.

15 (40 ILCS 5/13-309) (from Ch. 108 1/2, par. 13-309)

16 Sec. 13-309. Duty disability benefit.

17 (a) Any employee who becomes disabled, which disability is
18 the result of an injury or illness compensable under the
19 Illinois Workers' Compensation Act or the Illinois Workers'
20 Occupational Diseases Act, is entitled to a duty disability
21 benefit during the period of disability for which the employee
22 does not receive any part of salary, or any part of a

1 retirement annuity under this Article; except that in the case
2 of an employee who first enters service on or after June 13,
3 1997 and becomes disabled before August 18, 2005 (the
4 effective date of Public Act 94-621), a duty disability
5 benefit is not payable for the first 3 days of disability that
6 would otherwise be payable under this Section if the
7 disability does not continue for at least 11 additional days.
8 The changes made to this Section by Public Act 94-621 are
9 prospective only and do not entitle an employee to a duty
10 disability benefit for the first 3 days of any disability that
11 occurred before that effective date and did not continue for
12 at least 11 additional days. This benefit shall be 75% of
13 salary at the date disability begins. However, if the
14 disability in any measure resulted from any physical defect or
15 disease which existed at the time such injury was sustained or
16 such illness commenced, the duty disability benefit shall be
17 50% of salary.

18 Unless the employer acknowledges that the disability is a
19 result of injury or illness compensable under the Workers'
20 Compensation Act or the Workers' Occupational Diseases Act,
21 the duty disability benefit shall not be payable until the
22 issue of compensability under those Acts is finally
23 adjudicated. The period of disability shall be as determined
24 by the Illinois Workers' Compensation Commission or
25 acknowledged by the employer.

26 An employee in service before June 13, 1997 shall also

1 receive a child's disability benefit during the period of
2 disability of \$10 per month for each unmarried natural or
3 adopted child of the employee under 18 years of age.

4 The first payment shall be made not later than one month
5 after the benefit is granted, and subsequent payments shall be
6 made at least monthly. The Board shall by rule prescribe for
7 the payment of such benefits on the basis of the amount of
8 salary lost during the period of disability.

9 (b) The benefit shall be allowed only if all of the
10 following requirements are met by the employee:

11 (1) Application is made to the Board.

12 (2) A medical report is submitted by at least one
13 licensed health care professional ~~and practicing physician~~
14 as part of the employee's application.

15 (3) The employee is examined by at least one licensed
16 health care professional ~~and practicing physician~~
17 appointed by the Board and found to be in a disabled
18 physical condition, and shall be re-examined at least
19 annually thereafter during the continuance of disability.
20 The employee need not be examined by a licensed health
21 care professional ~~and practicing physician~~ appointed by
22 the Board if the attorney for the district certifies in
23 writing that the employee is entitled to receive
24 compensation under the Workers' Compensation Act or the
25 Workers' Occupational Diseases Act. The Board may require
26 other evidence of disability.

1 (c) The benefit shall terminate when:

2 (1) The employee returns to work or receives a
3 retirement annuity paid wholly or in part under this
4 Article;

5 (2) The disability ceases;

6 (3) The employee attains age 65, but if the employee
7 becomes disabled at age 60 or later, benefits may be
8 extended for a period of no more than 5 years after
9 disablement;

10 (4) The employee (i) refuses to submit to reasonable
11 examinations by licensed health care ~~physicians or other~~
12 ~~health~~ professionals appointed by the Board, (ii) fails or
13 refuses to consent to and sign an authorization allowing
14 the Board to receive copies of or to examine the
15 employee's medical and hospital records, or (iii) fails or
16 refuses to provide complete information regarding any
17 other employment for compensation he or she has received
18 since becoming disabled; or

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

1 In the case of a duty disability recipient who returns to
2 work, the employee must make application to the Retirement
3 Board within 2 years from the date the employee last received
4 duty disability benefits in order to become again entitled to
5 duty disability benefits based on the injury for which a duty
6 disability benefit was theretofore paid.

7 (Source: P.A. 95-586, eff. 8-31-07; 96-251, eff. 8-11-09.)

8 (40 ILCS 5/13-310) (from Ch. 108 1/2, par. 13-310)

9 Sec. 13-310. Ordinary disability benefit.

10 (a) Any employee who becomes disabled as the result of any
11 cause other than injury or illness incurred in the performance
12 of duty for the employer or any other employer, or while
13 engaged in self-employment activities, shall be entitled to an
14 ordinary disability benefit. The eligible period for this
15 benefit shall be 25% of the employee's total actual service
16 prior to the date of disability with a cumulative maximum
17 period of 5 years.

18 (b) The benefit shall be allowed only if the employee
19 files an application in writing with the Board, and a medical
20 report is submitted by at least one licensed health care
21 professional ~~and practicing physician~~ as part of the
22 employee's application.

23 The benefit is not payable for any disability which begins
24 during any period of unpaid leave of absence. No benefit shall
25 be allowed for any period of disability prior to 30 days before

1 application is made, unless the Board finds good cause for the
2 delay in filing the application. The benefit shall not be paid
3 during any period for which the employee receives or is
4 entitled to receive any part of salary.

5 The benefit is not payable for any disability which begins
6 during any period of absence from duty other than allowable
7 vacation time in any calendar year. An employee whose
8 disability begins during any such ineligible period of absence
9 from service may not receive benefits until the employee
10 recovers from the disability and is in service for at least 15
11 consecutive working days after such recovery.

12 In the case of an employee who first enters service on or
13 after June 13, 1997, an ordinary disability benefit is not
14 payable for the first 3 days of disability that would
15 otherwise be payable under this Section if the disability does
16 not continue for at least 11 additional days.

17 Beginning on the effective date of this amendatory Act of
18 the 94th General Assembly, an employee who first entered
19 service on or after June 13, 1997 is also eligible for ordinary
20 disability benefits on the 31st day after the last day worked,
21 provided all sick leave is exhausted.

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

25 (1) The employee returns to work or receives a
26 retirement annuity paid wholly or in part under this

1 Article;

2 (2) The disability ceases;

3 (3) The employee willfully and continuously refuses to
4 follow medical advice and treatment to enable the employee
5 to return to work. However this provision does not apply
6 to an employee who relies in good faith on treatment by
7 prayer through spiritual means alone in accordance with
8 the tenets and practice of a recognized church or
9 religious denomination, by a duly accredited practitioner
10 thereof;

11 (4) The employee (i) refuses to submit to a reasonable
12 physical examination within 30 days of application by a
13 licensed health care professional ~~physician~~ appointed by
14 the Board, (ii) in the case of chronic alcoholism, the
15 employee refuses to join a rehabilitation program licensed
16 by the Department of Public Health of the State of
17 Illinois and certified by the Joint Commission on the
18 Accreditation of Hospitals, (iii) fails or refuses to
19 consent to and sign an authorization allowing the Board to
20 receive copies of or to examine the employee's medical and
21 hospital records, or (iv) fails or refuses to provide
22 complete information regarding any other employment for
23 compensation he or she has received since becoming
24 disabled; or

25 (5) The eligible period for this benefit has been
26 exhausted.

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

4 (Source: P.A. 102-210, eff. 7-30-21.)

5 (40 ILCS 5/13-314) (from Ch. 108 1/2, par. 13-314)

6 Sec. 13-314. Alternative provisions for Water Reclamation
7 District commissioners.

8 (a) Transfer of credits. Any Water Reclamation District
9 commissioner elected by vote of the people and who has elected
10 to participate in this Fund may transfer to this Fund credits
11 and creditable service accumulated under any other pension
12 fund or retirement system established under Articles 2 through
13 18 of this Code, upon payment to the Fund of (1) the amount by
14 which the employer and employee contributions that would have
15 been required if he had participated in this Fund during the
16 period for which credit is being transferred, plus interest,
17 exceeds the amounts actually transferred from such other fund
18 or system to this Fund, plus (2) interest thereon at 6% per
19 year compounded annually from the date of transfer to the date
20 of payment.

21 (b) Alternative annuity. Any participant commissioner may
22 elect to establish alternative credits for an alternative
23 annuity by electing in writing to make additional optional
24 contributions in accordance with this Section and procedures
25 established by the Board. Unless and until such time as the

1 U.S. Internal Revenue Service or the federal courts provide a
2 favorable ruling as described in Section 13-502(f), a
3 commissioner may discontinue making the additional optional
4 contributions by notifying the Fund in writing in accordance
5 with this Section and procedures established by the Board.

6 Additional optional contributions for the alternative
7 annuity shall be as follows:

8 (1) For service after the option is elected, an
9 additional contribution of 3% of salary shall be
10 contributed to the Fund on the same basis and under the
11 same conditions as contributions required under Section
12 13-502.

13 (2) For contributions on past service, the additional
14 contribution shall be 3% of the salary for the applicable
15 period of service, plus interest at the annual rate from
16 time to time as determined by the Board, compounded
17 annually from the date of service to the date of payment.
18 Contributions for service before the option is elected may
19 be made in a lump sum payment to the Fund or by
20 contributing to the Fund on the same basis and under the
21 same conditions as contributions required under Section
22 13-502. All payments for past service must be paid in full
23 before credit is given. No additional optional
24 contributions may be made for any period of service for
25 which credit has been previously forfeited by acceptance
26 of a refund, unless the refund is repaid in full with

1 interest at the rate specified in Section 13-603, from the
2 date of refund to the date of repayment.

3 In lieu of the retirement annuity otherwise payable under
4 this Article, any commissioner who has elected to participate
5 in the Fund and make additional optional contributions in
6 accordance with this Section, has attained age 55, and has at
7 least 6 years of service credit, may elect to have the
8 retirement annuity computed as follows: 3% of the
9 participant's average final salary as a commissioner for each
10 of the first 8 years of service credit, plus 4% of such salary
11 for each of the next 4 years of service credit, plus 5% of such
12 salary for each year of service credit in excess of 12 years,
13 subject to a maximum of 80% of such salary. To the extent such
14 commissioner has made additional optional contributions with
15 respect to only a portion of years of service credit, the
16 retirement annuity will first be determined in accordance with
17 this Section to the extent such additional optional
18 contributions were made, and then in accordance with the
19 remaining Sections of this Article to the extent of years of
20 service credit with respect to which additional optional
21 contributions were not made. The change in minimum retirement
22 age (from 60 to 55) made by Public Act 87-1265 applies to
23 persons who begin receiving a retirement annuity under this
24 Section on or after January 25, 1993 (the effective date of
25 Public Act 87-1265), without regard to whether they are in
26 service on or after that date.

1 (c) Disability benefits. In lieu of the disability
2 benefits otherwise payable under this Article, any
3 commissioner who (1) has elected to participate in the Fund,
4 and (2) has become permanently disabled and as a consequence
5 is unable to perform the duties of office, and (3) was making
6 optional contributions in accordance with this Section at the
7 time the disability was incurred, may elect to receive a
8 disability annuity calculated in accordance with the formula
9 in subsection (b). For the purposes of this subsection, such
10 commissioner shall be considered permanently disabled only if:
11 (i) disability occurs while in service as a commissioner and
12 is of such a nature as to prevent the reasonable performance of
13 the duties of office at the time; and (ii) the Board has
14 received a written certification by at least 2 licensed health
15 care professionals ~~physicians~~ appointed by it stating that
16 such commissioner is disabled and that the disability is
17 likely to be permanent.

18 (d) Alternative survivor's benefits. In lieu of the
19 survivor's benefits otherwise payable under this Article, the
20 spouse or eligible child of any deceased commissioner who (1)
21 had elected to participate in the Fund, and (2) was either
22 making (or had already made) additional optional contributions
23 on the date of death, or was receiving an annuity calculated
24 under this Section at the time of death, may elect to receive
25 an annuity beginning on the date of the commissioner's death,
26 provided that the spouse and commissioner must have been

1 married on the date of the last termination of a service as
2 commissioner and for a continuous period of at least one year
3 immediately preceding death.

4 The annuity shall be payable beginning on the date of the
5 commissioner's death if the spouse is then age 50 or over, or
6 beginning at age 50 if the age of the spouse is less than 50
7 years. If a minor unmarried child or children of the
8 commissioner, under age 18 (age 23 in the case of a full-time
9 student), also survive, and the child or children are under
10 the care of the eligible spouse, the annuity shall begin as of
11 the date of death of the commissioner without regard to the
12 spouse's age. Beginning on the first day of the month
13 following the month in which this amendatory Act of the 96th
14 General Assembly takes effect, benefits shall begin on the
15 first of the month following the commissioner's date of death
16 if the spouse is then age 50 or over or, if a minor unmarried
17 child or children of the commissioner, under age 18 (age 23 in
18 the case of a full time student), also survive, and the child
19 or children are under the care of the eligible spouse. The
20 benefit is payable for the full month if the annuitant was
21 alive on the first day of the month.

22 The annuity to a spouse shall be the greater of (i) 66 2/3%
23 of the amount of retirement annuity earned by the commissioner
24 on the date of death, subject to a minimum payment of 10% of
25 salary, provided that if an eligible spouse, regardless of
26 age, has in his or her care at the date of death of the

1 commissioner any unmarried child or children of the
2 commissioner under age 18, the minimum annuity shall be 30% of
3 the commissioner's salary, plus 10% of salary on account of
4 each minor child of the commissioner, subject to a combined
5 total payment on account of a spouse and minor children not to
6 exceed 50% of the deceased commissioner's salary or (ii) for
7 the spouse of a commissioner whose death occurs on or after
8 August 18, 2005 (the effective date of Public Act 94-621), the
9 surviving spouse annuity shall be computed in the same manner
10 as described in Section 13-306(a). The number of total service
11 years used to calculate the commissioner's annuity shall be
12 the number of service years used to calculate the annuity for
13 that commissioner's surviving spouse. In the event there shall
14 be no spouse of the commissioner surviving, or should a spouse
15 die while eligible minor children still survive the
16 commissioner, each such child shall be entitled to an annuity
17 equal to 20% of salary of the commissioner subject to a
18 combined total payment on account of all such children not to
19 exceed 50% of salary of the commissioner. The salary to be used
20 in the calculation of these benefits shall be the same as that
21 prescribed for determining a retirement annuity as provided in
22 subsection (b) of this Section.

23 Upon the death of a commissioner occurring after
24 termination of a service or while in receipt of a retirement
25 annuity, the combined total payment to a spouse and minor
26 children, or to minor children alone if no eligible spouse

1 survives, shall be limited to 85% of the amount of retirement
2 annuity earned by the commissioner.

3 Marriage of a child or attainment of age 18 (age 23 in the
4 case of a full-time student), whichever first occurs, shall
5 render the child ineligible for further consideration in the
6 payment of annuity to a spouse or in the increase in the amount
7 thereof. Upon attainment of ineligibility of the youngest
8 minor child of the commissioner, the annuity shall immediately
9 revert to the amount payable upon death of a commissioner
10 leaving no minor children surviving. If the spouse is under
11 age 50 at such time, the annuity as revised shall be deferred
12 until such age is attained.

13 (e) Refunds. Refunds of additional optional contributions
14 shall be made on the same basis and under the same conditions
15 as provided under Section 13-601. Interest shall be credited
16 on the same basis and under the same conditions as for other
17 contributions.

18 Optional contributions shall be accounted for in a
19 separate Commission's Optional Contribution Reserve. Optional
20 contributions under this Section shall be included in the
21 amount of employee contributions used to compute the tax levy
22 under Section 13-503.

23 (f) Effective date. The effective date of this plan of
24 optional alternative benefits and contributions shall be the
25 date upon which approval was received from the U.S. Internal
26 Revenue Service. The plan of optional alternative benefits and

1 contributions shall not be available to any former employee
2 receiving an annuity from the Fund on the effective date,
3 unless said former employee re-enters service and renders at
4 least 3 years of additional service after the date of re-entry
5 as a commissioner.

6 (Source: P.A. 95-279, eff. 1-1-08; 96-251, eff. 8-11-09.)

7 (40 ILCS 5/13-706) (from Ch. 108 1/2, par. 13-706)

8 Sec. 13-706. Board powers and duties. The Board shall have
9 the powers and duties set forth in this Section, in addition to
10 such other powers and duties as may be provided in this Article
11 and in this Code:

12 (a) To supervise collections. To see that all amounts
13 specified in this Article to be applied to the Fund, from
14 any source, are collected and applied.

15 (b) To notify of deductions. To notify the Clerk of
16 the Water Reclamation District of the deductions to be
17 made from the salaries of employees.

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

21 (d) To invest the reserves. To invest the reserves of
22 the Fund in accordance with the provisions set forth in
23 Section 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and
24 1-115 of this Code. Investments made in accordance with
25 Section 1-113 of Article 1 of this Code shall be deemed

1 prudent. The Board is also authorized to transfer
2 securities to the Illinois State Board of Investment for
3 the purpose of participation in any commingled investment
4 fund as provided in Article 22A of this Code.

5 (e) To authorize payments. To consider and pass upon
6 all applications for annuities and benefits; to authorize
7 or suspend the payment of any annuity or benefit; to
8 inquire into the validity and legality of any grant of
9 annuity or benefit paid from or payable out of the Fund; to
10 increase, reduce, or suspend any such annuity or benefit
11 whenever the annuity or benefit, or any part thereof, was
12 secured or granted, or the amount thereof fixed, as the
13 result of misrepresentation, fraud, or error. No such
14 annuity or benefit shall be permanently reduced or
15 suspended until the affected annuitant or beneficiary is
16 first notified of the proposed action and given an
17 opportunity to be heard. No trustee of the Board shall
18 vote upon that trustee's own personal claim for annuity,
19 benefit or refund, or participate in the deliberations of
20 the Board as to the validity of any such claim. The Board
21 shall have exclusive original jurisdiction in all matters
22 of claims for annuities, benefits and refunds.

23 (f) To submit an annual report. To submit a report in
24 July of each year to the Board of Commissioners of the
25 Water Reclamation District as of the close of business on
26 December 31st of the preceding year. The report shall

1 include the following:

2 (1) A balance sheet, showing the financial and
3 actuarial condition of the Fund as of the end of the
4 calendar year;

5 (2) A statement of receipts and disbursements
6 during such year;

7 (3) A statement showing changes in the asset,
8 liability, reserve and surplus accounts during such
9 year;

10 (4) A detailed statement of investments as of the
11 end of the year; and

12 (5) Any additional information as is deemed
13 necessary for proper interpretation of the condition
14 of the Fund.

15 (g) To subpoena witnesses. To compel witnesses to
16 attend and testify before it upon any matter concerning
17 the Fund and allow witness fees not in excess of \$6 for
18 attendance upon any one day. The President and other
19 members of the Board may administer oaths to witnesses.

20 (h) To appoint employees and consultants. To appoint
21 such actuarial, medical, legal, investigational, clerical
22 or financial employees and consultants as are necessary,
23 and fix their compensation.

24 (i) To make rules. To make rules and regulations
25 necessary for the administration of the affairs of the
26 Fund.

1 (j) To waive guardianship. To waive the requirement of
2 legal guardianship of a person under legal disability or
3 any minor unmarried beneficiary of the Fund for a
4 representative living with a parent or grandparent, and
5 ~~legal guardianship of any beneficiary under legal~~
6 ~~disability whose husband, wife, or parent is~~ managing such
7 person or beneficiary's affairs, whenever the Board deems
8 such waiver to be in the best interest of the person or
9 beneficiary.

10 (k) To collect amounts due. To collect any amounts due
11 to the Fund from any participant or beneficiary prior to
12 payment of any annuity, benefit or refund.

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

17 (m) To assess and collect interest on amounts due to
18 the Fund using the annual rate as shall from time to time
19 be determined by the Board, compounded annually from the
20 date of notification to the date of payment.

21 (Source: P.A. 94-621, eff. 8-18-05; 95-586, eff. 8-31-07.)