



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 2/6/2004, by Michael J. Madigan

SYNOPSIS AS INTRODUCED:

40 ILCS 5/24-101

from Ch. 108 1/2, par. 24-101

Amends the Illinois Pension Code. Makes a technical change in a Section concerning deferred compensation.

LRB093 17260 LRD 42926 b

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT in relation to pensions.

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 changing
5 Section 24-101 as follows:

6 (40 ILCS 5/24-101) (from Ch. 108 1/2, par. 24-101)

7 Sec. 24-101. Deferred compensation program.

8 Notwithstanding any law to the contrary, the State of Illinois
9 or any unit of local government or school district may enter
10 into a written contract with any of its employees to defer a
11 part of their gross compensation and may invest such funds in
12 any such manner as prescribed by the deferred compensation
13 program adopted by it under this Article. Compensation deferred
14 pursuant to a deferred compensation program adopted under this
15 Article shall not exceed the amount of compensation allowed to
16 be deferred without being subject to income tax in the year in
17 which it is earned, pursuant to Section 457 of the United
18 States Internal Revenue Code or laws supplementary or
19 amendatory thereto.

20 It is hereby declared to be in the public interest to
21 provide public employees with a plan for the deferral of
22 compensation and the accrual of income and gain thereon if such
23 deferred compensation be invested, and to encourage the
24 continued service of public employees by making available such
25 benefits to them.

26 (Source: P.A. 82-145.)