

HB0461



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0461

Introduced 1/26/2005, by Rep. William B. Black

SYNOPSIS AS INTRODUCED:

820 ILCS 405/611

from Ch. 48, par. 441

Amends the Unemployment Insurance Act. Provides that none of the amount received by an individual as primary social security old age and disability retirement benefits shall constitute disqualifying income.

LRB094 06853 WGH 36959 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning unemployment insurance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Unemployment Insurance Act is amended by
5 changing Section 611 as follows:

6 (820 ILCS 405/611) (from Ch. 48, par. 441)

7 Sec. 611. Retirement pay. A. For the purposes of this
8 Section "disqualifying income" means:

9 1. The entire amount which an individual has received or
10 will receive with respect to a week in the form of a retirement
11 payment (a) from an individual or organization (i) for which he
12 performed services during his base period or which is liable
13 for benefit charges or payments in lieu of contributions as a
14 result of the payment of benefits to such individual and (ii)
15 which pays all of the cost of such retirement payment, or (b)
16 from a trust, annuity or insurance fund or under an annuity or
17 insurance contract, to or under which an individual or
18 organization for which he performed services during his base
19 period or which is liable for benefit charges or payments in
20 lieu of contributions as a result of the payment of benefits to
21 such individual pays or has paid all of the premiums or
22 contributions; and

23 2. One-half the amount which an individual has received or
24 will receive with respect to a week in the form of a retirement
25 payment (a) from an individual or organization (i) for which he
26 performed services during his base period or which is liable
27 for benefit charges or payments in lieu of contributions as a
28 result of the payment of benefits to such individual and (ii)
29 which pays some, but not all, of the cost of such retirement
30 payment, or (b) from a trust, annuity or insurance fund
31 ~~(including primary social security old age and disability~~
32 ~~retirement benefits, including those based on self-employment)~~

1 or under an annuity or insurance contract, to or under which an
2 individual or organization for which he performed services
3 during his base period or which is liable for benefit charges
4 or payments in lieu of contributions as a result of the payment
5 of benefits to such individual pays or has paid some, but not
6 all, of the premiums or contributions.

7 2.1. Notwithstanding paragraphs 1 and 2 above, because the
8 individual contributed to the cost of the benefits, none of the
9 amount which an individual has received or will receive with
10 respect to a week in the form of primary social security old
11 age and disability retirement benefits, including those based
12 on self-employment, shall constitute disqualifying income.

13 3. Notwithstanding ~~paragraphs~~ paragraph 1, 2 and 2.1 ~~2~~
14 above, the entire amount which an individual has received or
15 will receive, with respect to any week which begins after March
16 31, 1980, of any governmental or other pension, retirement, or
17 retired pay, annuity or any other similar periodic payment
18 which is based on any previous work of such individual during
19 his base period or which is liable for benefit charges or
20 payments in lieu of contributions as a result of the payment of
21 benefits to such individual. This paragraph shall be in effect
22 only if it is required as a condition for full tax credit
23 against the tax imposed by the Federal Unemployment Tax Act.

24 B. Whenever an individual has received or will receive a
25 retirement payment for a month, an amount shall be deemed to
26 have been paid him for each day equal to one-thirtieth of such
27 retirement payment. If the retirement payment is for a
28 half-month, an amount shall be deemed to have been paid the
29 individual for each day equal to one-fifteenth of such
30 retirement payment. If the retirement payment is for any other
31 period, an amount shall be deemed to have been paid the
32 individual for each day in such period equal to the retirement
33 payment divided by the number of days in the period.

34 C. An individual shall be ineligible for benefits for any
35 week with respect to which his disqualifying income equals or
36 exceeds his weekly benefit amount. If such disqualifying income

1 with respect to a week totals less than the benefits for which
2 he would otherwise be eligible under this Act, he shall be
3 paid, with respect to such week, benefits reduced by the amount
4 of such disqualifying income.

5 D. To assure full tax credit to the employers of this State
6 against the tax imposed by the Federal Unemployment Tax Act,
7 the Director shall take any action as may be necessary in the
8 administration of paragraph 3 of subsection A of this Section
9 to insure that the application of its provisions conform to the
10 requirements of such Federal Act as interpreted by the United
11 States Secretary of Labor or other appropriate Federal agency.
12 (Source: P.A. 86-3.)