



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0753

Introduced 2/1/2005, by Rep. Daniel J. Burke

SYNOPSIS AS INTRODUCED:

40 ILCS 5/6-127.3 new
30 ILCS 805/8.29 new

Amends the Chicago Firefighter Article of the Illinois Pension Code. Provides that a qualifying firefighter, at the time of applying for a retirement annuity, may elect to forfeit to the Fund a portion of his or her lump sum payment for unused furlough time in exchange for an increase in his or her annuity. Provides for a maximum increase of 5% of average salary. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

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FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT in relation to 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 Section 6-127.3 as follows:

6 (40 ILCS 5/6-127.3 new)

7 Sec. 6-127.3. Additional annuity for unused furlough time.

8 (a) This Section applies only to a fireman who (i) has at
9 least 20 years of creditable service, (ii) withdraws from
10 service on or after the effective date of this Section, and
11 (iii) is entitled at the time of withdrawal from service to
12 receive a lump sum payment for unused furlough time.

13 (b) As used in this Section, "average salary" means the
14 salary used in computing the fireman's retirement annuity under
15 Section 6-128, or if the annuity is calculated under a
16 different Section, then the highest 48 consecutive months of
17 salary within the 10 years immediately preceding withdrawal
18 from service.

19 (c) A qualifying fireman, at the time of applying for a
20 retirement annuity under this Article, may elect to forfeit to
21 the Fund a portion of his or her lump sum payment for unused
22 furlough time in exchange for an increase in his or her
23 annuity. In exchange for forfeiting an amount of lump sum
24 payment for unused furlough time equal to 1.0% of average
25 salary, an increase in annuity equal to 0.25% of average salary
26 shall be granted. The maximum amount of increase in annuity
27 that may be granted under this Section is 5.0% of average
28 salary.

29 (d) The increase in annuity granted under this Section is
30 not subject to any limitation on maximum retirement annuity
31 (including the 75% limitation provided in Section 6-128) or
32 maximum increase in retirement annuity (including the 30%

1 limitation provided in Section 6-164) otherwise provided in
2 this Article. The increase in annuity granted under this
3 Section shall be deemed to be a part of the originally granted
4 annuity for purposes of calculating any automatic annual
5 increases under Section 6-164.

6 (e) Any part of a lump sum payment for unused furlough time
7 that is forfeited under this Section:

8 (1) shall be paid by the employer directly to the Fund
9 rather than to the withdrawing employee, no later than one
10 year after the date of withdrawal; and

11 (2) to the extent allowable under federal law, shall be
12 treated as an employee contribution picked up by the
13 employer, in the same manner as is provided for other
14 employee contributions under Section 6-165.1.

15 (f) An election to forfeit a portion of a lump sum payment
16 for unused furlough time under this Section is irrevocable.
17 This Section does not affect the payment of any portion of a
18 lump sum payment for unused furlough time that has not been
19 forfeited under this Section.

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.29 as follows:

22 (30 ILCS 805/8.29 new)

23 Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8
24 of this Act, no reimbursement by the State is required for the
25 implementation of any mandate created by this amendatory Act of
26 the 94th General Assembly.

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.