



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB3739

Introduced 2/24/2005, by Rep. Robert S. Molaro

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/5-174

from Ch. 108 1/2, par. 5-174

30 ILCS 805/8.29 new

Amends the Chicago Police Article of the Illinois Pension Code. Provides that the provision prohibiting certain policemen who are assigned to non-civil service positions from making certain contributions does not apply to a policeman assigned to a non-civil service position with the title of Captain. Purports to be retroactive to January 1, 2000. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 10529 EFG 40802 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 changing  
5 Section 5-174 as follows:

6 (40 ILCS 5/5-174) (from Ch. 108 1/2, par. 5-174)

7 Sec. 5-174. Contributions in case of certain employments in  
8 police department.

9 (a) Whenever a policeman is assigned to a position in the  
10 police department other than the position he holds by  
11 certification and appointment as a result of competitive civil  
12 service examination, there shall be deducted from his salary  
13 the amount which would have been deducted had he continued in  
14 his civil service position. If such deductions are not made,  
15 the policeman may pay such amount direct to the fund and shall  
16 be credited with the corresponding city contributions, to the  
17 end that he may retain all rights he otherwise would have had  
18 were his employment continuous in his civil service position;  
19 provided, that any such amount not so deducted from his salary  
20 nor paid by him shall be deducted from the earliest possible  
21 and practicable payment of salary due and payable to him, or  
22 from any annuity, benefit or refund payable to him or on his  
23 account. The policeman shall receive credit for such employment  
24 as service for all purposes of this Article.

25 (b) From and after January 1, 1970, in lieu of the  
26 provisions of the preceding paragraph (a) of this Section, any  
27 policeman serving in a non-civil service position in the police  
28 department shall have salary deductions made for age and  
29 service annuity and widow's annuity on salary as defined in  
30 Section 5-114 (e).

31 Any active policeman serving in a non-civil service  
32 position on the effective date of this amendatory Act may

1 elect, prior to January 1, 1970, to contribute directly to the  
2 fund for age and service and widow's annuity on salary received  
3 in excess of that provided for in his civil service rank for  
4 police service rendered in a non-civil service position prior  
5 to the operative date of his election. Such election shall be  
6 exercised prior to January 1, 1974, by a policeman in service  
7 on such effective date or within 6 months prior to such date.  
8 Any policeman in service not serving in a non-civil service  
9 position on the effective date of this amendatory Act who is  
10 subsequently assigned and serving in a non-civil service  
11 position may make like election within 6 months after such  
12 assignment. Contributions for such past service shall include  
13 interest at the applicable rate to the end that the  
14 contributions shall equal the amount that would have been  
15 credited to the policeman had deductions been made from such  
16 excess salary for such service. For such contributions the  
17 policeman shall be credited with the corresponding city  
18 contributions with interest for all annuity purposes at the  
19 rates in effect at the time the service was rendered.

20 Contributions for past service, if elected, shall be made  
21 for the entire period of service and for the total amount of  
22 the excess salary and no credit shall be granted or payment  
23 permitted for any part of such service or excess salary.  
24 Payment of contributions on such past service shall be  
25 completed within 3 years of the date of election and in any  
26 event before death or retirement. If not paid in full within  
27 such period, or before death, no credit shall be granted  
28 thereon, and the sums so paid, with interest at the rate of 1  
29 1/2% per year, compounded annually, shall be refunded to the  
30 policeman, or his surviving widow or children, or if there are  
31 no such survivors, then in accordance with Section 5-167,  
32 provided, however, that if the repayment has not been made in  
33 full before death, his widow shall have the option of  
34 completing such payment within 60 days from the date of his  
35 death.

36 A policeman assigned to a non-civil service position within

1 3 years of the date of his reaching compulsory retirement age  
2 or within 3 years of retirement at his own option, whichever is  
3 earlier, shall not qualify for the benefits authorized herein.  
4 The limitation contained in this paragraph shall not apply to a  
5 policeman assigned to a non-civil service position whose  
6 retirement from active service is caused by duty disability.  
7 Beginning January 1, 2000, the limitation contained in this  
8 paragraph shall not apply to a policeman assigned to a  
9 non-civil service position with the title of Captain. A  
10 policeman who has made contributions as provided by this  
11 Section ~~section~~ but who fails to qualify for the benefits due  
12 to the limitation of this paragraph is entitled to refund of  
13 said contributions, upon application therefor, according to  
14 the provisions of Section 5-163 (f).

15 In no event shall the provisions of this or any other  
16 Section ~~section~~ of this Article, allowing payment for or  
17 granting credit on salary received in excess of that provided  
18 for his civil service rank or position, be applicable in the  
19 case of any former policeman who is receiving annuity from this  
20 fund who subsequently re-enters service as a policeman.

21 (Source: P.A. 81-1536.)

22 Section 90. The State Mandates Act is amended by adding  
23 Section 8.29 as follows:

24 (30 ILCS 805/8.29 new)

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

29 Section 99. Effective date. This Act takes effect upon  
30 becoming law.