

## 94TH GENERAL ASSEMBLY State of Illinois 2005 and 2006 HB4317

Introduced 12/27/2005, by Rep. Donald L. Moffitt

## SYNOPSIS AS INTRODUCED:

40 ILCS 5/4-108

from Ch. 108 1/2, par. 4-108

40 ILCS 5/4-108.5 new 30 ILCS 805/8.30 new

Amends the Illinois Pension Code. Allows a firefighter for a participating municipality who was employed as an active firefighter providing fire protection for a village or incorporated town with a population of greater than 10,000 but less that 11,000 located in a county with a population of greater than 600,000 and less than 700,000, as estimated by the United States Census on July 1, 2004, to elect to establish creditable service for periods of that employment in which the firefighter provided fire protection services for the participating municipality. Provides for calculation of creditable service for service as a part-time firefighter for such a village or incorporated town. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 16018 AMC 51253 b

FISCAL NOTE ACT MAY APPLY

PENSION IMPACT NOTE ACT MAY APPLY STATE MANDATES ACT MAY REQUIRE REIMBURSEMENT

2.1

1 AN ACT concerning public employee benefits.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Pension Code is amended by changing Section 4-108 and by adding Section 4-108.5 as follows:
- 6 (40 ILCS 5/4-108) (from Ch. 108 1/2, par. 4-108)
- 7 Sec. 4-108. Creditable service.
  - (a) Creditable service is the time served as a firefighter of a municipality. In computing creditable service, furloughs and leaves of absence without pay exceeding 30 days in any one year shall not be counted, but leaves of absence for illness or accident regardless of length, and periods of disability for which a firefighter received no disability pension payments under this Article, shall be counted.
  - (b) Furloughs and leaves of absence of 30 days or less in any one year may be counted as creditable service, if the firefighter makes the contribution to the fund that would have been required had he or she not been on furlough or leave of absence. To qualify for this creditable service, the firefighter must pay the required contributions to the fund not more than 90 days subsequent to the termination of the furlough or leave of absence, to the extent that the municipality has not made such contribution on his or her behalf.
    - (c) Creditable service includes:
    - (1) Service in the military, naval or air forces of the United States entered upon when the person was an active firefighter, provided that, upon applying for a permanent pension, and in accordance with the rules of the board the firefighter pays into the fund the amount that would have been contributed had he or she been a regular contributor during such period of service, if and to the extent that the municipality which the firefighter served made no such

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contributions in his or her behalf. The total amount of such creditable service shall not exceed 5 years, except that any firefighter who on July 1, 1973 had more than 5 years of such creditable service shall receive the total amount thereof as of that date.

- (2) Service prior to July 1, 1976 by a firefighter initially excluded from participation by reason of age who elected to participate and paid the required contributions for such service.
- (3) Up to 8 years of service by a firefighter as an officer in a statewide firefighters' association when he is on a leave of absence from a municipality's payroll, provided that (i) the firefighter has at least 10 years of creditable service as an active firefighter, (ii) the firefighter contributes to the fund the amount that he would have contributed had he remained an active member of the fund, and (iii) the employee or statewide firefighter association contributes to the fund an amount equal to the employer's required contribution as determined by the board.
- as on-call (4)Time spent an fireman for municipality, calculated at the rate of one year of creditable service for each 5 years of time spent as an on-call fireman, provided that (i) the firefighter has at years of creditable service as an active 18 least firefighter, (ii) the firefighter spent at least 14 years as an on-call firefighter for the municipality, (iii) the firefighter applies for such creditable service within 30 days after the effective date of this amendatory Act of 1989, (iv) the firefighter contributes to the Fund an amount representing employee contributions for the number years of creditable service granted under this subdivision (4), based on the salary and contribution rate in effect for the firefighter at the date of entry into the Fund, to be determined by the board, and (v) not more than 3 years of creditable service may be granted under this

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subdivision (4).

Except as provided in Section 4-108.5, creditable Creditable service shall not under any other circumstances include time spent as a volunteer firefighter, whether or not any compensation was received therefor. The change made in this Section by Public Act 83-0463 is intended to be a restatement and clarification of existing law, and does not imply that creditable service was previously allowed under this Article for time spent as a volunteer firefighter.

- (5) Time served between July 1, 1976 and July 1, 1988 in the position of protective inspection officer or administrative assistant for fire services, for a municipality with a population under 10,000 that is located in a county with a population over 3,000,000 and that maintains a firefighters' pension fund under this Article, i f the position included firefighting duties, notwithstanding that the person may not have held an appointment as a firefighter, provided that application is made to the pension fund within 30 days after the effective date of this amendatory Act of 1991, and the corresponding contributions are paid for the number of years of service granted, based upon the salary and contribution rate in effect for the firefighter at the date of entry into the pension fund, as determined by the Board.
- (6) Service before becoming a participant by a firefighter initially excluded from participation by reason of age who becomes a participant under the amendment to Section 4-107 made by this amendatory Act of 1993 and pays the required contributions for such service.
- (7) Up to 3 years of time during which the firefighter receives a disability pension under Section 4-110, 4-110.1, or 4-111, provided that (i) the firefighter returns to active service after the disability for a period at least equal to the period for which credit is to be established and (ii) the firefighter makes contributions to the fund based on the rates specified in Section 4-118.1

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and the salary upon which the disability pension is based. These contributions may be paid at any time prior to the commencement of a retirement pension. The firefighter may, but need not, elect to have the contributions deducted from the disability pension or to pay them in installments on a schedule approved by the board. If not deducted from the disability pension, the contributions shall include interest at the rate of 6% per year, compounded annually, from the date for which service credit is being established to the date of payment. If contributions are paid under this subdivision (c)(7) in excess of those needed to establish the credit, the excess shall be refunded. This subdivision (c)(7) applies to persons receiving disability pension under Section 4-110, 4-110.1, or 4-111 on the effective date of this amendatory Act of the 91st General Assembly, as well as persons who begin to receive such a disability pension after that date.

(Source: P.A. 91-466, eff. 8-6-99.)

19 (40 ILCS 5/4-108.5 new)

20 <u>Sec. 4-108.5.</u> Service for providing certain fire 21 protection services.

(a) A firefighter for a participating municipality who was employed as an active firefighter providing fire protection for a village or incorporated town with a population of greater than 10,000 but less that 11,000 located in a county with a population of greater than 600,000 and less than 700,000, as estimated by the United States Census on July 1, 2004, may elect to establish creditable service for periods of that employment in which the firefighter provided fire protection services for the participating municipality if, by May 1, 2007, the firefighter (i) makes written application to the Board and (ii) pays into the pension fund the amount that the person would have contributed had deductions from salary been made for this purpose at the time the service was rendered, plus interest thereon at 6% per annum compounded annually from the

- time the service was rendered until the date of payment.
- 2 (b) Time spent providing fire protection on a part-time basis for a village or incorporated town with a population of 3 greater than 10,000 but less that 11,000 located in a county 4 5 with a population of greater than 600,000 and less than 700,000, as estimated by the United States Census on July 1, 6 2004, shall be calculated at the rate of one year of creditable 7 service for each 5 years of time spent providing such fire 8 protection, if the firefighter (i) has at least 5 years of 9 creditable service as an active firefighter, (ii) has at least 10 11 5 years of such service with a qualifying village or incorporated town, (iii) applies for the creditable service 12 within 30 days after the effective date of this amendatory Act 13 of the 94th General Assembly, and (iv) contributes to the Fund 14 an amount representing employee contributions for the number of 15 16 years of creditable service granted under this subsection (b) 17 based on the salary and contribution rate in effect for the firefighter at the date of entry into the fund, as determined 18 by the Board. The amount of creditable service granted under 19 20 this subsection (b) may not exceed 3 years.
- Section 90. The State Mandates Act is amended by adding Section 8.30 as follows:
- 23 (30 ILCS 805/8.30 new)
- Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8

  of this Act, no reimbursement by the State is required for the

  implementation of any mandate created by this amendatory Act of

  the 94th General Assembly.
- 28 Section 99. Effective date. This Act takes effect upon 29 becoming law.