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09500HB1974ham001

LRB095 09111 AMC 32582 a

1 AMENDMENT TO HOUSE BILL 1974

2 AMENDMENT NO. _____. Amend House Bill 1974 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by adding
5 Section 6-127.5 as follows:

6 (40 ILCS 5/6-127.5 new)

7 Sec. 6-127.5. One-time lump sum payment election.

8 (a) This Section applies only to active firemen not in
9 receipt of disability benefits who (i) have at least 23 years
10 of creditable service, and (ii) have attained age 50, and (iii)
11 withdraw from service on or after the effective date of this
12 Section.

13 (b) A qualifying fireman may make an election under this
14 Section at the time application for an age and service annuity
15 under this Article is made, to receive a lump sum payment in
16 exchange for which he or she agrees to forfeit up to 36 months

1 of service credit. The lump sum payment shall be an amount
2 equal to (1) the employee contributions credited to his or her
3 account that correspond to the service credit being forfeited,
4 plus (2) an additional 2.26 times that amount representing the
5 corresponding employer contributions made to the Fund, plus (3)
6 the amount of any annuity payments the fireman would have been
7 entitled to during the time of the forfeited service. Members
8 electing to receive a lump sum distribution under this Section
9 may request that it be rolled over into other qualified plans.

10 (c) Service credit forfeited under this Section shall not
11 be included in the calculation of the fireman's age and service
12 annuity, nor used for any other purpose under this Act. The
13 monthly retirement annuity, as reduced by any such lump sum
14 distribution under this Section, shall constitute the
15 originally granted annuity amount for all purposes of this Act.
16 Any agreement to reduce total service credit for annuity
17 calculation purposes shall not reduce career service for any
18 purpose used by the City of Chicago. A lump sum distribution
19 election under this Section is not considered a refund of
20 contribution as defined for other purposes in this Article.

21 (d) Election of the lump sum payment distribution under
22 this Section becomes irrevocable upon receipt of the lump sum
23 payment.

24 Section 90. The State Mandates Act is amended by adding
25 Section 8.31 as follows:

1 (30 ILCS 805/8.31 new)

2 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 95th General Assembly.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.".