

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 4-109.3 as follows:

6 (40 ILCS 5/4-109.3)

7 Sec. 4-109.3. Employee creditable service.

8 (a) As used in this Section:

9 "Final monthly salary" means the monthly salary attached to
10 the rank held by the firefighter at the time of his or her last
11 withdrawal from service under a particular pension fund.

12 "Last pension fund" means the pension fund in which the
13 firefighter was participating at the time of his or her last
14 withdrawal from service.

15 (b) The benefits provided under this Section are available
16 only to a firefighter who:

17 (1) is a firefighter at the time of withdrawal from the
18 last pension fund and for at least the final 3 years of
19 employment prior to that withdrawal;

20 (2) has established service credit with at least one
21 pension fund established under this Article other than the
22 last pension fund;

23 (3) has a total of at least 20 years of service under

1 the various pension funds established under this Article
2 and has attained age 50; and

3 (4) is in service on or after the effective date of
4 this amendatory Act of the 93rd General Assembly.

5 (c) A firefighter who is eligible for benefits under this
6 Section may elect to receive a retirement pension from each
7 pension fund under this Article in which the firefighter has at
8 least one year of service credit but has not received a refund
9 under Section 4-116 (unless the firefighter repays that refund
10 under subsection (g)) or subsection (c) of Section 4-118.1, by
11 applying in writing and paying the contribution required under
12 subsection (i).

13 (d) From each such pension fund other than the last pension
14 fund, in lieu of any retirement pension otherwise payable under
15 this Article, a firefighter to whom this Section applies may
16 elect to receive a monthly pension of 1/12th of 2.5% of his or
17 her final monthly salary under that fund for each month of
18 service in that fund, subject to a maximum of 75% of that final
19 monthly salary.

20 (e) From the last pension fund, in lieu of any retirement
21 pension otherwise payable under this Article, a firefighter to
22 whom this Section applies may elect to receive a monthly
23 pension calculated as follows:

24 The last pension fund shall calculate the retirement
25 pension that would be payable to the firefighter under
26 subsection (a) of Section 4-109 as if he or she had

1 participated in that last pension fund during his or her entire
2 period of service under all pension funds established under
3 this Article (excluding any period of service for which the
4 firefighter has received a refund under Section 4-116, unless
5 the firefighter repays that refund under subsection (g), or for
6 which the firefighter has received a refund under subsection
7 (c) of Section 4-118.1). From this hypothetical pension there
8 shall be subtracted the original amounts of the retirement
9 pensions payable to the firefighter by all other pension funds
10 under subsection (d). The remainder is the retirement pension
11 payable to the firefighter by the last pension fund under this
12 subsection (e).

13 (f) Pensions elected under this Section shall be subject to
14 increases as provided in subsection (d) of Section 4-109.1.

15 (g) A current firefighter may reinstate creditable service
16 in a pension fund established under this Article that was
17 terminated upon receipt of a refund, by payment to that pension
18 fund of the amount of the refund together with interest thereon
19 at the rate of 6% per year, compounded annually, from the date
20 of the refund to the date of payment. A repayment of a refund
21 under this Section may be made in equal installments over a
22 period of up to 10 years, but must be paid in full prior to
23 retirement.

24 (h) As a condition of being eligible for the benefits
25 provided in this Section, a person who is hired to a position
26 as a firefighter on or after July 1, 2004 must, within 21

1 months after being hired, notify the new employer, all of his
2 or her previous employers under this Article, and the Public
3 Pension Division of the Division of Insurance of the Department
4 of Financial and Professional Regulation of his or her intent
5 to receive the benefits provided under this Section.

6 (i) In order to receive a pension under this Section or an
7 occupational disease disability pension for which he or she
8 becomes eligible due to the application of subsection (m) of
9 this Section, a firefighter must pay to each pension fund from
10 which he or she has elected to receive a pension under this
11 Section a contribution equal to 1% of monthly salary for each
12 month of service credit that the firefighter has in that fund
13 (other than service credit for which the firefighter has
14 already paid the additional contribution required under
15 subsection (c) of Section 4-118.1), together with interest
16 thereon at the rate of 6% per annum, compounded annually, from
17 the firefighter's first day of employment with that fund or the
18 first day of the fiscal year of that fund that immediately
19 precedes the firefighter's first day of employment with that
20 fund, whichever is earlier.

21 In order for a firefighter who, as of the effective date of
22 this amendatory Act of the 93rd General Assembly, has not begun
23 to receive a pension under this Section or an occupational
24 disease disability pension under subsection (m) of this Section
25 and who has contributed 1/12th of 1% of monthly salary for each
26 month of service credit that the firefighter has in that fund

1 (other than service credit for which the firefighter has
2 already paid the additional contribution required under
3 subsection (c) of Section 4-118.1), together with the required
4 interest thereon, to receive a pension under this Section or an
5 occupational disease disability pension for which he or she
6 becomes eligible due to the application of subsection (m) of
7 this Section, the firefighter must, within one year after the
8 effective date of this amendatory Act of the 93rd General
9 Assembly, make an additional contribution equal to 11/12ths of
10 1% of monthly salary for each month of service credit that the
11 firefighter has in that fund (other than service credit for
12 which the firefighter has already paid the additional
13 contribution required under subsection (c) of Section
14 4-118.1), together with interest thereon at the rate of 6% per
15 annum, compounded annually, from the firefighter's first day of
16 employment with that fund or the first day of the fiscal year
17 of that fund that immediately precedes the firefighter's first
18 day of employment with the fund, whichever is earlier. A
19 firefighter who, as of the effective date of this amendatory
20 Act of the 93rd General Assembly, has not begun to receive a
21 pension under this Section or an occupational disease
22 disability pension under subsection (m) of this Section and who
23 has contributed 1/12th of 1% of monthly salary for each month
24 of service credit that the firefighter has in that fund (other
25 than service credit for which the firefighter has already paid
26 the additional contribution required under subsection (c) of

1 Section 4-118.1), together with the required interest thereon,
2 in order to receive a pension under this Section or an
3 occupational disease disability pension under subsection (m)
4 of this Section, may elect, within one year after the effective
5 date of this amendatory Act of the 93rd General Assembly to
6 forfeit the benefits provided under this Section and receive a
7 refund of that contribution.

8 (j) A retired firefighter who is receiving pension payments
9 under Section 4-109 may reenter active service under this
10 Article. Subject to the provisions of Section 4-117, the
11 firefighter may receive credit for service performed after the
12 reentry if the firefighter (1) applies to receive credit for
13 that service, (2) suspends his or her pensions under this
14 Section, and (3) makes the contributions required under
15 subsection (i).

16 (k) A firefighter who is newly hired or promoted to a
17 position as a firefighter shall not be denied participation in
18 a fund under this Article based on his or her age.

19 (l) If a firefighter who elects to make contributions under
20 subsection (c) of Section 4-118.1 for the pension benefits
21 provided under this Section becomes entitled to a disability
22 pension under Section 4-110, the last pension fund is
23 responsible to pay that disability pension and the amount of
24 that disability pension shall be based only on the
25 firefighter's service with the last pension fund.

26 (m) Notwithstanding any provision in Section 4-110.1 to the

1 contrary, if a firefighter who elects to make contributions
2 under subsection (c) of Section 4-118.1 for the pension
3 benefits provided under this Section becomes entitled to an
4 occupational disease disability pension under Section 4-110.1,
5 each pension fund to which the firefighter has made
6 contributions under subsection (c) of Section 4-118.1 must pay
7 a portion of that occupational disease disability pension equal
8 to the proportion that the firefighter's service credit with
9 that pension fund for which the contributions under subsection
10 (c) of Section 4-118.1 have been made bears to the
11 firefighter's total service credit with all of the pension
12 funds for which the contributions under subsection (c) of
13 Section 4-118.1 have been made. A firefighter who has made
14 contributions under subsection (c) of Section 4-118.1 for at
15 least 5 years of creditable service shall be deemed to have met
16 the 5-year creditable service requirement under Section
17 4-110.1, regardless of whether the firefighter has 5 years of
18 creditable service with the last pension fund.

19 (n) If a firefighter who elects to make contributions under
20 subsection (c) of Section 4-118.1 for the pension benefits
21 provided under this Section becomes entitled to a disability
22 pension under Section 4-111, the last pension fund is
23 responsible to pay that disability pension, provided that the
24 firefighter has at least 7 years of creditable service with the
25 last pension fund. In the event a firefighter began employment
26 with a new employer as a result of an intergovernmental

1 agreement that resulted in the elimination of the previous
2 employer's fire department, the firefighter shall not be
3 required to have 7 years of creditable service with the last
4 pension fund to qualify for a disability pension under Section
5 4-111. Under this circumstance, a firefighter shall be required
6 to have 7 years of total combined creditable service time to
7 qualify for a disability pension under Section 4-111. The
8 disability pension received pursuant to this Section shall be
9 paid by the previous employer and new employer in proportion to
10 the firefighter's years of service with each employer.

11 (Source: P.A. 93-689, eff. 7-1-04; 93-1090, eff. 3-11-05.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.