



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5554

by Rep. Joseph M. Lyons

SYNOPSIS AS INTRODUCED:

40 ILCS 5/11-158

from Ch. 108 1/2, par. 11-158

30 ILCS 805/8.32 new

Amends the Chicago Laborers Article of the Illinois Pension Code. With respect to certain duty and ordinary disability benefits and widow's compensation and supplemental benefits payable by the Fund, replaces existing provisions relating to the offset of amounts received under the Workers' Compensation Act or Workers' Occupational Diseases Act or related settlements with new provisions applying to those offsets and the administration, commencement, and amount of those benefits. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB095 19094 AMC 45296 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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 changing
5 Section 11-158 as follows:

6 (40 ILCS 5/11-158) (from Ch. 108 1/2, par. 11-158)

7 Sec. 11-158. When disability benefit not payable.

8 (a) If an employee receiving duty or ordinary disability
9 benefit refuses to submit to examination by a physician
10 appointed by the board, or fails or refuses to consent to and
11 sign an authorization allowing the board to receive copies of
12 or examine the employee's medical and hospital records, or
13 fails or refuses to provide complete information regarding any
14 other employment for compensation he has received since he has
15 become disabled, he shall have no further right to receive the
16 benefit.

17 (b) Disability benefit shall not be paid for any time for
18 which the employee receives any part of his salary or while
19 employed by any public body supported in whole or in part by
20 taxation.

21 (c) Before any action is taken by the Board on an
22 application for a duty disability benefit or a widow's
23 compensation or supplemental benefit, the employee or widow

1 shall file a claim with the employer to establish that the
2 disability or death occurred while the employee was acting
3 within the scope of and in the course of his duties.

4 Any amounts provided to the employee or surviving spouse
5 either as temporary total disability payments, permanent total
6 disability payments, a lump sum settlement, award, or other
7 payment under the Workers' Compensation Act or Workers'
8 Occupational Diseases Act shall be applied as an offset to the
9 disability benefit paid by the Fund, whether duty or ordinary,
10 or any widow compensation or supplemental benefit payable
11 hereunder until a period of time has elapsed when the benefit
12 payable equals the amount of such compensation, payment, or
13 award. The duty disability benefit will be offset at the rate
14 of the amount of temporary total disability payments or
15 permanent disability payments made under the Workers'
16 Compensation Act or Workers' Occupational Diseases Act.

17 If such amounts are not readily determinable or if an
18 employee has not received temporary total disability payments
19 or permanent weekly or monthly payments for the entire period
20 of disability up to the time of the compensation, payment, or
21 award under the Workers' Compensation Act or Workers'
22 Occupational Diseases Act, the disability benefit paid by the
23 Fund will be offset by 66 2/3% of the employee's salary on the
24 date of disablement. The offset will not be greater than the
25 amount of disability benefits due from the Fund. The offset
26 will be applied until a period of time has elapsed when the

1 benefit payable equals the amount of such compensation,
2 payment, or award. This offset will not apply to the initial
3 days of disability when workers' compensation would not
4 ordinarily be payable.

5 The amount of compensation or supplemental annuity payable
6 to a widow will be offset by any compensation, payment, or
7 award until a period of time has elapsed when the benefit
8 payable equals the amount of such compensation, payment, or
9 award.

10 If an employee who has been disabled has received ordinary
11 disability from the fund and also receives any compensation or
12 payment for specific loss, disability, or death under the
13 Workers' Compensation Act or Workers' Occupational Diseases
14 Act, the ordinary disability benefit must be repaid to the fund
15 before any other benefit under this Article can be granted or
16 paid. If no other benefit is applied for, the ordinary
17 disability would be offset according to the provisions of this
18 Section.

19 The employee and the employer shall provide the Fund on a
20 timely basis, with the entry of the settlement contract lump
21 sum petition and order settlement of any such lawsuit,
22 including all details of the settlement.

23 ~~If an employee who shall be disabled or his widow receives~~
24 ~~any compensation or payment from the city for specific loss,~~
25 ~~disability or death under the Workers' Compensation Act, or~~
26 ~~Workers' Occupational Diseases Act, and the disability or~~

1 ~~injury or loss which forms the basis for any compensation,~~
2 ~~award, pension or payment for a specific loss is also a~~
3 ~~condition which renders such employee incapable of performing~~
4 ~~his duties in the service, the disability benefit shall be~~
5 ~~reduced by any amount so received if such amount is less than~~
6 ~~the benefit or, subject to adjustment when final determination~~
7 ~~of the amount received can be made, the amount estimated to be~~
8 ~~received under the provisions of the Workers' Compensation Act~~
9 ~~or Workers' Occupational Diseases Act. If the amount received~~
10 ~~as compensation, payment or award under the aforesaid Acts~~
11 ~~exceeds the disability benefit, no payment of benefit shall be~~
12 ~~made until a period of time has elapsed when the benefit~~
13 ~~payable at the rate herein stated equals the amount of such~~
14 ~~compensation, payment or award. In calculating any such period~~
15 ~~of time, interest upon the amounts involved shall not be~~
16 ~~considered.~~

17 (d) An employee who enters service after December 31, 1987,
18 or an employee who makes application for a disability benefit
19 or applies for a disability benefit for a recurrence of a
20 previous disability, and who, while in receipt of an ordinary
21 or duty disability benefit, assumes any employment for
22 compensation, shall not be entitled to receive any amount of
23 such disability benefit which, when added to his compensation
24 for such employment during disability, plus any amount payable
25 under the provisions of the Workers' Compensation Act or
26 Workers' Occupational Diseases Act, would exceed the rate of

1 salary on which his disability benefit is based.

2 (Source: P.A. 85-964.)

3 Section 90. The State Mandates Act is amended by adding
4 Section 8.32 as follows:

5 (30 ILCS 805/8.32 new)

6 Sec. 8.32. Exempt mandate. Notwithstanding Sections 6 and 8
7 of this Act, no reimbursement by the State is required for the
8 implementation of any mandate created by this amendatory Act of
9 the 95th General Assembly.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.