96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3939

Introduced 5/26/2010, by Sen. Michael W. Frerichs

SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-114.1

from Ch. 108 1/2, par. 3-114.1

Amends the Downstate Police Article of the Illinois Pension Code. Provides that the changes made to certain provisions concerning duty disability pensions by Public Act 91-939 apply to all disability retirement pensions that became payable on or after January 1, 1998 through February 1, 2001 (the effective date of Public Act 91-939) for police officers with 30 years or more of creditable service under this Article. Provides that, for a person receiving a disability retirement pension on the effective date of the amendatory Act, the increase, if any, shall begin to accrue on the first benefit payment date following that effective date. Effective immediately.

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FISCAL NOTE ACT MAY APPLY PENSION IMPACT NOTE ACT MAY APPLY STATE MANDATES ACT MAY REQUIRE REIMBURSEMENT SB3939

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AN ACT concerning public employee benefits.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The Illinois Pension Code is amended by changing
Section 3-114.1 as follows:

6 (40 ILCS 5/3-114.1) (from Ch. 108 1/2, par. 3-114.1)

Sec. 3-114.1. Disability pension - Line of duty.

8 (a) If a police officer as the result of sickness, accident 9 or injury incurred in or resulting from the performance of an act of duty, is found to be physically or mentally disabled for 10 service in the police department, so as to render necessary his 11 or her suspension or retirement from the police service, the 12 police officer shall be entitled to a disability retirement 13 14 pension equal to the greatest of (1) 65% of the salary attached to the rank on the police force held by the officer at the date 15 of suspension of duty or retirement, (2) the retirement pension 16 17 that the police officer would be eligible to receive if he or she retired (but not including any automatic annual increase in 18 19 that retirement pension), or (3) the pension provided under subsection (d), if applicable. 20

21 <u>The changes made to this subsection (a) by Public Act</u> 22 <u>91-939 apply to all disability retirement pensions that became</u> 23 <u>payable on or after January 1, 1998 through February 1, 2001</u> - 2 - LRB096 21435 AMC 37843 b

(the effective date of Public Act 91-939) for police officers with 30 years or more of creditable service under this Article. In the case of a person receiving a disability retirement pension on the effective date of this amendatory Act of the 96th General Assembly, the increase, if any, shall begin to accrue on the first benefit payment date following that effective date.

8 A police officer shall be considered "on duty" while on any 9 assignment approved by the chief of the police department of 10 the municipality he or she serves, whether the assignment is 11 within or outside the municipality.

(b) If a police officer on disability pension dies while still disabled, the disability pension shall continue to be paid to his or her survivors in the sequence provided in Section 3-112.

(c) From and after July 1, 1987, any pension payable under this Section shall be at least \$400 per month, without regard to the fact that the disability or death of the police officer occurred prior to that date. If the minimum pension established in Section 3-113.1 is greater than the minimum provided in this Section, the Section 3-113.1 minimum controls.

(d) A disabled police officer who (1) is receiving a pension under this Section on the effective date of this amendatory Act of the 91st General Assembly, (2) files with the Fund, within 30 days after that effective date and annually thereafter while the pension remains payable, a written

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application for the benefits of this subsection, including an 1 2 affidavit stating that the applicant has not earned any income 3 from gainful employment during the most recently concluded tax year and a copy of his or her most recent Illinois income tax 4 5 return, (3) has service credit in the Fund for at least 7 years of active duty, and (4) has been receiving the pension under 6 7 this Section for a period which, when added to the officer's total service credit in the Fund, equals at least 20 years, 8 9 shall be eligible to receive an annual noncompounded increase 10 in his or her pension under this Section, equal to 3% of the 11 original pension.

12 The Fund may take appropriate steps to verify the 13 applicant's disability and earnings status, and for this 14 purpose may request from the Department of Revenue a certified 15 copy of the applicant's Illinois income tax return for any year 16 for which a benefit under this Section is payable or has been 17 paid.

The annual increase shall accrue on each anniversary of the 18 19 initial pension payment date, for so long as the pension 20 remains payable to the disabled police officer and the required annual application is made, except that the annual increases 21 22 under this subsection shall cease if the disabled police 23 officer earns income from gainful employment. Within 60 days after accepting an initial application under this subsection, 24 25 the Fund shall pay to the disabled police officer, in a lump 26 sum without interest, the amounts resulting from the annual

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1 increases that have accrued retroactively.

2 This subsection is not limited to persons in active service on or after its effective date, but it applies only to a 3 pension that is payable under this Section to a disabled police 4 5 officer (rather than a survivor). Upon the death of the 6 disabled police officer, the annuity payable under this Section 7 to his or her survivors shall include any annual increases previously received, but no additional increases shall accrue 8 under this subsection. 9

10 (Source: P.A. 91-939, eff. 2-1-01.)

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