



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB2865

Introduced 2/22/2011, by Rep. Raymond Poe

SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-154	from Ch. 108 1/2, par. 7-154
40 ILCS 5/7-222	from Ch. 108 1/2, par. 7-222
30 ILCS 805/8.35 new	

Amends the Illinois Municipal Retirement Fund (IMRF) Article of the Illinois Pension Code. Specifies that in order to be eligible for a surviving spouse annuity the spouse of the annuitant must meet a specific eligibility requirement no matter whether the annuitant was in service on or after the effective date of the amendatory Act or the effective date of Public Act 87-850. Removes a provision that required survivor annuities to be offset by workers' compensation benefits. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB097 10457 JDS 50689 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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 Sections 7-154 and 7-222 as follows:

6 (40 ILCS 5/7-154) (from Ch. 108 1/2, par. 7-154)

7 Sec. 7-154. Surviving spouse annuities - Eligibility.

8 (a) A surviving spouse annuity shall be payable to the
9 eligible surviving spouse of a participating employee, an
10 employee annuitant, or a person who on the date of death would
11 have been entitled to a retirement annuity, had he applied for
12 such annuity, and who dies at any time when a surviving spouse
13 annuity equals at least \$5 per month, provided:

14 (1) The surviving spouse (i) was married to the
15 participating employee for at least one year on the date of
16 death, or (ii) was married to the annuitant or person
17 entitled to a retirement annuity for at least one year
18 prior to the date of termination of service, or (iii) was
19 married to the deceased annuitant for at least one year on
20 the date of the deceased annuitant's death, if at the time
21 of termination of service the deceased annuitant was
22 married for at least one year to a spouse who does not
23 survive the deceased annuitant. (Item (iii) applies to the

1 spouses of annuitants who die on or after the effective
2 date of this amendatory Act of the 97th General Assembly,
3 notwithstanding whether the annuitant was in service on or
4 after that effective date or the effective date of Public
5 Act 87-850.)

6 (2) The male deceased employee annuitant or such other
7 person entitled to a retirement annuity had contributed to
8 this fund for surviving spouse annuity purposes for at
9 least 1 year or continuously since the effective date of
10 the participating municipality or participating
11 instrumentality.

12 (3) The female deceased employee annuitant or such
13 other person entitled to a retirement annuity was in
14 service on or after July 27, 1972, provided that the
15 annuity shall not be computed on the basis of any
16 retirement annuity effective before that date.

17 (4) If the employee dies before termination of service,
18 the employee did not exclude the spouse from any death
19 benefit or surviving spouse annuity pursuant to subsection
20 (b) of Section 7-118. A designation of beneficiary naming a
21 spouse and children jointly or a trust pursuant to
22 subsection (b) of Section 7-118 shall preclude payment of a
23 surviving spouse annuity.

24 (b) If a person is the spouse of a retiring participating
25 employee on the date of the initial payment of a retirement
26 annuity and is qualified to receive a surviving spouse annuity

1 upon the death of the employee and the surviving spouse
2 contributions are not refunded to the employee, then a
3 surviving spouse annuity shall be payable to that person even
4 if the marriage to the employee is dissolved after that date.

5 (c) Eligibility of a surviving spouse shall be determined
6 as of the date of death. Only one surviving spouse annuity
7 shall be paid on account of the death of any employee.

8 (Source: P.A. 87-740; 87-850.)

9 (40 ILCS 5/7-222) (from Ch. 108 1/2, par. 7-222)

10 Sec. 7-222. Reduction of disability ~~and survivor's~~
11 benefits on account of corresponding benefits payable under the
12 Workers' Compensation Act and the Workers' Occupational
13 Diseases Act. Whenever any person is entitled to a disability
14 ~~or survivor's~~ benefit under this Article and to benefits under
15 the Workers' Compensation Act or the Workers' Occupational
16 Diseases Act in relation to the same injury or disease, the
17 monthly benefits payable under this Article shall be reduced by
18 the amount of any such benefits payable under either of those
19 Acts, except payments for medical, surgical and hospital
20 services, non-medical remedial care and treatment rendered in
21 accordance with a religious method of healing recognized by the
22 laws of this State, and for artificial members or appliances,
23 and fixed statutory payments for the loss of or the permanent
24 and complete loss of the use of any bodily member, provided
25 that the monthly benefit payable under this Article shall not

1 be reduced to less than \$10 per month. If the benefits
2 deductible under this paragraph are stated in a weekly amount,
3 the monthly amount for the purposes of this Section shall be 4
4 1/3 times the weekly amount.

5 (Source: P.A. 81-992.)

6 Section 90. The State Mandates Act is amended by adding
7 Section 8.35 as follows:

8 (30 ILCS 805/8.35 new)

9 Sec. 8.35. Exempt mandate. Notwithstanding Sections 6 and 8
10 of this Act, no reimbursement by the State is required for the
11 implementation of any mandate created by this amendatory Act of
12 the 97th General Assembly.

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