



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

**HB5094**

Introduced 2/7/2012, by Rep. Sidney H. Mathias

#### SYNOPSIS AS INTRODUCED:

820 ILCS 405/611

from Ch. 48, par. 441

Amends the Unemployment Insurance Act. Provides that none of the amount received by an individual as primary social security old age and disability retirement benefits shall constitute disqualifying income.

LRB097 18153 WGH 63377 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning unemployment insurance.

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

4 Section 5. The Unemployment Insurance Act is amended by  
5 changing Section 611 as follows:

6 (820 ILCS 405/611) (from Ch. 48, par. 441)

7 Sec. 611. Retirement pay. A. For the purposes of this  
8 Section "disqualifying income" means:

9 1. The entire amount which an individual has received or  
10 will receive with respect to a week in the form of a retirement  
11 payment (a) from an individual or organization (i) for which he  
12 performed services during his base period or which is liable  
13 for benefit charges or payments in lieu of contributions as a  
14 result of the payment of benefits to such individual and (ii)  
15 which pays all of the cost of such retirement payment, or (b)  
16 from a trust, annuity or insurance fund or under an annuity or  
17 insurance contract, to or under which an individual or  
18 organization for which he performed services during his base  
19 period or which is liable for benefit charges or payments in  
20 lieu of contributions as a result of the payment of benefits to  
21 such individual pays or has paid all of the premiums or  
22 contributions; and

23 2. One-half the amount which an individual has received or

1 will receive with respect to a week in the form of a retirement  
2 payment (a) from an individual or organization (i) for which he  
3 performed services during his base period or which is liable  
4 for benefit charges or payments in lieu of contributions as a  
5 result of the payment of benefits to such individual and (ii)  
6 which pays some, but not all, of the cost of such retirement  
7 payment, or (b) from a trust, annuity or insurance fund  
8 ~~(including primary social security old age and disability~~  
9 ~~retirement benefits, including those based on self employment)~~  
10 or under an annuity or insurance contract, to or under which an  
11 individual or organization for which he performed services  
12 during his base period or which is liable for benefit charges  
13 or payments in lieu of contributions as a result of the payment  
14 of benefits to such individual pays or has paid some, but not  
15 all, of the premiums or contributions.

16 2.1. Notwithstanding paragraphs 1 and 2 above, because the  
17 individual contributed to the cost of the benefits, none of the  
18 amount which an individual has received or will receive with  
19 respect to a week in the form of primary social security old  
20 age and disability retirement benefits, including those based  
21 on self-employment, shall constitute disqualifying income.

22 3. Notwithstanding ~~paragraphs~~ paragraph 1, 2 and 2.1 ~~2~~  
23 above, the entire amount which an individual has received or  
24 will receive, with respect to any week which begins after March  
25 31, 1980, of any governmental or other pension, retirement, or  
26 retired pay, annuity or any other similar periodic payment

1 which is based on any previous work of such individual during  
2 his base period or which is liable for benefit charges or  
3 payments in lieu of contributions as a result of the payment of  
4 benefits to such individual. This paragraph shall be in effect  
5 only if it is required as a condition for full tax credit  
6 against the tax imposed by the Federal Unemployment Tax Act.

7 B. Whenever an individual has received or will receive a  
8 retirement payment for a month, an amount shall be deemed to  
9 have been paid him for each day equal to one-thirtieth of such  
10 retirement payment. If the retirement payment is for a  
11 half-month, an amount shall be deemed to have been paid the  
12 individual for each day equal to one-fifteenth of such  
13 retirement payment. If the retirement payment is for any other  
14 period, an amount shall be deemed to have been paid the  
15 individual for each day in such period equal to the retirement  
16 payment divided by the number of days in the period.

17 C. An individual shall be ineligible for benefits for any  
18 week with respect to which his disqualifying income equals or  
19 exceeds his weekly benefit amount. If such disqualifying income  
20 with respect to a week totals less than the benefits for which  
21 he would otherwise be eligible under this Act, he shall be  
22 paid, with respect to such week, benefits reduced by the amount  
23 of such disqualifying income.

24 D. To assure full tax credit to the employers of this State  
25 against the tax imposed by the Federal Unemployment Tax Act,  
26 the Director shall take any action as may be necessary in the

1 administration of paragraph 3 of subsection A of this Section  
2 to insure that the application of its provisions conform to the  
3 requirements of such Federal Act as interpreted by the United  
4 States Secretary of Labor or other appropriate Federal agency.  
5 (Source: P.A. 86-3.)