

AN ACT concerning public employee benefits.

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

Section 5. The Illinois Pension Code is amended by changing Sections 8-125, 8-162, and 8-244.1 as follows:

(40 ILCS 5/8-125) (from Ch. 108 1/2, par. 8-125)

Sec. 8-125. Annuity.

"Annuity": Equal monthly payments for life, unless otherwise specified.

For annuities taking effect before January 1, 1998, the first payment shall be due and payable one month after the occurrence of the event upon which payment of the annuity depends, and the last payment shall be due and payable as of the date of the annuitant's death and shall be prorated from the date of the last preceding payment to the date of death for deaths that occur on or before March 31, 2000. All payments made on or after April 1, 2000 shall be made on the first day of the calendar month and the last payment shall be made on the first day of the calendar month in which the annuity payment period ends. All payments for months beginning with April of 2000 shall be for the entire calendar month, without proration. A pro rata amount shall be paid for that part of the month from the March 2000 annuity payment date through March 31, 2000.

For annuities taking effect on or after January 1, 1998, payments shall be made as of the first day of the calendar month, with the first payment to be made as of the first day of the calendar month coincidental with or next following the first day of the annuity payment period, and the last payment to be made as of the first day of the calendar month in which the annuity payment period ends. For annuities taking effect on or after January 1, 1998, all payments shall be for the entire calendar month, without proration. The date on which the annuity payment period begins shall not be prior to termination or more than one year prior to receipt by the board of the written application for benefits.

For the purposes of this Section, the "annuity payment period" means the period beginning on the day after the occurrence of the event upon which payment of the annuity depends, and ending on the day upon which the death of the annuitant or other event terminating the annuity occurs.

(Source: P.A. 90-31, eff. 6-27-97; 91-887, eff. 7-6-00.)

(40 ILCS 5/8-162) (from Ch. 108 1/2, par. 8-162)

Sec. 8-162. Proof of disability, duty and ordinary.

Proof of duty or ordinary disability shall be furnished to the board by at least one licensed and practicing physician appointed by the board. The board may require other evidence of disability. Each disabled employee who receives duty or ordinary disability benefit shall be examined at least once a

year, or a longer period of time as determined by the board, by one or more licensed and practicing physicians appointed by the board. When the disability ceases, the board shall discontinue payment of the benefit and the employee shall be returned to active service.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/8-244.1) (from Ch. 108 1/2, par. 8-244.1)

Sec. 8-244.1. Payment of annuity other than direct.

(a) The board, at the written direction and request of any annuitant, may, solely as an accommodation to such annuitant, pay the annuity due him to a bank, savings and loan association or any other financial institution insured by an agency of the federal government, for deposit to his account, or to a bank or trust company for deposit in a trust established by him for his benefit with such bank, savings and loan association or trust company, and such annuitant may withdraw such direction at any time. An annuitant who directs the board to pay the annuity due him or her to a financial institution shall hold the board and Fund harmless from any claim or loss related to any error as to whether the financial institution is or continues to be federally insured. The board may also, in the case of any disability beneficiary or annuitant for whom no estate guardian has been appointed and who is confined in a publicly owned and operated mental institution, pay such disability benefit or annuity due such person to the superintendent or other head of

such institution or hospital for deposit to such person's trust fund account maintained for him by such institution or hospital, if by law such trust fund accounts are authorized or recognized.

(b) An annuitant formerly employed by the City of Chicago may authorize the withholding of a portion of his or her annuity for payment of dues to the labor organization which formerly represented the annuitant when the annuitant was an active employee; however, no withholding shall be required under this subsection for payment to one labor organization unless a minimum of 25 annuitants authorize such withholding. The Board shall prescribe a form for the authorization of withholding of dues, release of name, social security number and address and shall provide such forms to employees, annuitants and labor organizations upon request. Amounts withheld by the Board under this subsection shall be promptly paid over to the designated organizations, indicating the names, social security numbers and addresses of annuitants on whose behalf dues were withheld.

At the request and at the expense of the labor organization that formerly represented the annuitant, the City of Chicago shall coordinate mailings no more than twice in any twelve-month period to such annuitants and the Board shall supply current annuitant addresses to the City of Chicago upon request. These mailings shall be limited to informing the annuitants of their rights under this subsection (b), the form

Public Act 101-0069

HB2824 Enrolled

LRB101 08718 RPS 53805 b

authorizing the withholding of dues from their annuity and information supplied by the labor organization pertinent to the decision of whether to exercise the rights of this subsection.

(Source: P.A. 100-23, eff. 7-6-17.)

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