

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 3-110.12 and 4-108 as follows:

(40 ILCS 5/3-110.12)

Sec. 3-110.12. Transfer to Article 4 fund.

(a) At any time during the 6 months following the effective date of this Section, an active member of an Article 4 firefighters' pension fund may apply for transfer to that fund of up to 6 years of his or her creditable service accumulated in the police pension fund under this Article that is administered by the same unit of local government if that active member was not subject to disciplinary action when he or she terminated employment with that police department. The creditable service shall be transferred upon payment by the police pension fund to the Article 4 fund of an amount equal to:

(1) the amounts accumulated to the credit of the applicant on the books of the fund on the date of transfer for the service to be transferred; and

(2) employer contributions in an amount equal to the amount determined under item (1); and

(3) any interest paid by the applicant in order to reinstate service.

Participation in the police pension fund with respect to the transferred creditable service shall terminate on the date of transfer.

(a-5) At any time during the 6 months following the effective date of this amendatory Act of the 102nd General Assembly, an active member of an Article 4 firefighters' pension fund may apply for transfer to that fund of up to 8 years of his or her creditable service accumulated in a police pension fund under this Article that is administered by a unit of local government if that active member was not subject to disciplinary action when he or she terminated employment with that police department. The creditable service shall be transferred upon payment by the police pension fund to the Article 4 fund of an amount equal to:

(1) the amounts accumulated to the credit of the applicant on the books of the fund on the date of transfer for the service to be transferred; and

(2) employer contributions in an amount equal to the amount determined under item (1); and

(3) any interest paid by the applicant in order to reinstate service.

Participation in the police pension fund with respect to the transferred creditable service shall terminate on the date of transfer.

(b) At the time of applying for transfer of creditable service under this Section, an active member of an Article 4 firefighters' pension fund may, for the purpose of that transfer, reinstate creditable service that was terminated by receipt of a refund, by payment to the police pension fund of the amount of the refund with interest thereon at the rate of 6% per year, compounded annually, from the date of the refund to the date of payment.

(Source: P.A. 100-544, eff. 11-8-17.)

(40 ILCS 5/4-108) (from Ch. 108 1/2, par. 4-108)

Sec. 4-108. Creditable service.

(a) Creditable service is the time served as a firefighter of a municipality. In computing creditable service, furloughs and leaves of absence without pay exceeding 30 days in any one year shall not be counted, but leaves of absence for illness or accident regardless of length, and periods of disability for which a firefighter received no disability pension payments under this Article, shall be counted.

(b) Furloughs and leaves of absence of 30 days or less in any one year may be counted as creditable service, if the firefighter makes the contribution to the fund that would have been required had he or she not been on furlough or leave of absence. To qualify for this creditable service, the firefighter must pay the required contributions to the fund not more than 90 days subsequent to the termination of the

furlough or leave of absence, to the extent that the municipality has not made such contribution on his or her behalf.

(c) Creditable service includes:

(1) Service in the military, naval or air forces of the United States entered upon when the person was an active firefighter, provided that, upon applying for a permanent pension, and in accordance with the rules of the board the firefighter pays into the fund the amount that would have been contributed had he or she been a regular contributor during such period of service, if and to the extent that the municipality which the firefighter served made no such contributions in his or her behalf. The total amount of such creditable service shall not exceed 5 years, except that any firefighter who on July 1, 1973 had more than 5 years of such creditable service shall receive the total amount thereof as of that date.

(1.5) Up to 24 months of service in the military, naval, or air forces of the United States that was served prior to employment by a municipality or fire protection district as a firefighter. To receive the credit for the military service prior to the employment as a firefighter, the firefighter must apply in writing to the fund and must make contributions to the fund equal to (i) the employee contributions that would have been required had the service been rendered as a member, plus (ii) an amount

determined by the fund to be equal to the employer's normal cost of the benefits accrued for that military service, plus (iii) interest at the actuarially assumed rate provided by the Department of Financial and Professional Regulation, compounded annually from the first date of membership in the fund to the date of payment on items (i) and (ii). The changes to this paragraph (1.5) by this amendatory Act of the 95th General Assembly apply only to participating employees in service on or after its effective date.

(2) Service prior to July 1, 1976 by a firefighter initially excluded from participation by reason of age who elected to participate and paid the required contributions for such service.

(3) Up to 8 years of service by a firefighter as an officer in a statewide firefighters' association when he is on a leave of absence from a municipality's payroll, provided that (i) the firefighter has at least 10 years of creditable service as an active firefighter, (ii) the firefighter contributes to the fund the amount that he would have contributed had he remained an active member of the fund, (iii) the employee or statewide firefighter association contributes to the fund an amount equal to the employer's required contribution as determined by the board, and (iv) for all leaves of absence under this subdivision (3), including those beginning before the

effective date of this amendatory Act of the 97th General Assembly, the firefighter continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute.

(4) Time spent as an on-call fireman for a municipality, calculated at the rate of one year of creditable service for each 5 years of time spent as an on-call fireman, provided that (i) the firefighter has at least 18 years of creditable service as an active firefighter, (ii) the firefighter spent at least 14 years as an on-call firefighter for the municipality, (iii) the firefighter applies for such creditable service within 30 days after the effective date of this amendatory Act of 1989, (iv) the firefighter contributes to the Fund an amount representing employee contributions for the number of years of creditable service granted under this subdivision (4), based on the salary and contribution rate in effect for the firefighter at the date of entry into the Fund, to be determined by the board, and (v) not more than 3 years of creditable service may be granted under this subdivision (4).

Except as provided in Section 4-108.5, creditable service shall not include time spent as a volunteer firefighter, whether or not any compensation was received therefor. The change made in this Section by Public Act 83-0463 is intended to be a restatement and clarification

of existing law, and does not imply that creditable service was previously allowed under this Article for time spent as a volunteer firefighter.

(5) Time served between July 1, 1976 and July 1, 1988 in the position of protective inspection officer or administrative assistant for fire services, for a municipality with a population under 10,000 that is located in a county with a population over 3,000,000 and that maintains a firefighters' pension fund under this Article, if the position included firefighting duties, notwithstanding that the person may not have held an appointment as a firefighter, provided that application is made to the pension fund within 30 days after the effective date of this amendatory Act of 1991, and the corresponding contributions are paid for the number of years of service granted, based upon the salary and contribution rate in effect for the firefighter at the date of entry into the pension fund, as determined by the Board.

(6) Service before becoming a participant by a firefighter initially excluded from participation by reason of age who becomes a participant under the amendment to Section 4-107 made by this amendatory Act of 1993 and pays the required contributions for such service.

(7) Up to 3 years of time during which the firefighter receives a disability pension under Section 4-110,

4-110.1, or 4-111, provided that (i) the firefighter returns to active service after the disability for a period at least equal to the period for which credit is to be established and (ii) the firefighter makes contributions to the fund based on the rates specified in Section 4-118.1 and the salary upon which the disability pension is based. These contributions may be paid at any time prior to the commencement of a retirement pension. The firefighter may, but need not, elect to have the contributions deducted from the disability pension or to pay them in installments on a schedule approved by the board. If not deducted from the disability pension, the contributions shall include interest at the rate of 6% per year, compounded annually, from the date for which service credit is being established to the date of payment. If contributions are paid under this subdivision (c)(7) in excess of those needed to establish the credit, the excess shall be refunded. This subdivision (c)(7) applies to persons receiving a disability pension under Section 4-110, 4-110.1, or 4-111 on the effective date of this amendatory Act of the 91st General Assembly, as well as persons who begin to receive such a disability pension after that date.

(8) Up to 6 years of service as a police officer and participant in an Article 3 police pension fund administered by the unit of local government that employs

the firefighter under this Article, provided that the service has been transferred to, and the required payment received by, the Article 4 fund in accordance with subsection (a) of Section 3-110.12 of this Code.

(9) Up to 8 years of service as a police officer and participant in an Article 3 police pension fund administered by a unit of local government, provided that the service has been transferred to, and the required payment received by, the Article 4 fund in accordance with subsection (a-5) of Section 3-110.12 of this Code.

(Source: P.A. 100-544, eff. 11-8-17.)

Section 90. The State Mandates Act is amended by adding Section 8.45 as follows:

(30 ILCS 805/8.45 new)

Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 102nd General Assembly.

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