



Weekly Legislative Report

ILLINOIS STATE EMPLOYEES ASSOCIATION RETIREES

By: Jessica Nardulli & Tom Ryder

May 15, 2017

The General Assembly is set to adjourn May 31st. If there is no budget by that date, they will need a 3/5 majority rather than a simple majority of votes to pass one. That said, the common thinking is that Illinois will continue to limp along without a budget until after the 2018 gubernatorial election. Whether you care about local governments, or schools, or pension debt, or bond ratings, or human services; this is just terrible news for our entire state. Some rank and file members are doing their best to keep pressure on their leaders to strike a budget compromise.

We expect the House Democrats to present their own reform package tomorrow to present items they believe should be part of the bargaining process. Additionally, the Senate is still trying to make a comprehensive deal. Time is quickly running out. Stay tuned!

ILLINOIS STATE EMPLOYEES ASSOCIATION

RETIREES

HB 302 LIFE INS-UNCLAIMED BENEFITS **Sponsor** Rep. Martwick; Sen. Collins

Synopsis As Introduced

Amends the Unclaimed Life Insurance Benefits Act. Provides that "policy" includes a policy that has lapsed or been terminated. Requires insurers to, at no later than the date of policy delivery or the establishment of an account, and upon any change of insured or beneficiary, request information sufficient to ensure that all benefits or proceeds are distributed to the appropriate persons upon the death of the insured. Allows insurers to contact insureds in certain circumstances for the information. Provides that the Act applies to policies, annuity contracts, and retained asset accounts in force at any time on or after January 1, 1996 (rather than on or after the effective date of the Act). Provides that the Act does not apply to a lapsed or terminated policy with no benefits payable that was compared against the Death Master File within the 18 months following the date of the lapse or termination of the applicable policy. Amends the Vital Records Act. Provides that any information contained in the vital records shall be made available at no cost to the State Treasurer for purposes related to the Uniform Disposition of Unclaimed Property Act. Amends the Uniform Disposition of Unclaimed Property Act. Removes provisions concerning certain fees and charges for unclaimed property. Provides that no person or company shall be entitled to a fee for discovering presumptively unclaimed property during the period beginning on the date the property was presumed abandoned and ending 24 months after the payment or delivery of the property to the State Treasurer (rather than until it has been in the custody of the State Treasurer for at least 24 months). Makes other changes.

Last Action

Date	Chamber	Action
5/2/2017	Senate	Assigned to Insurance

HB 311 NETWORK ADEQUACY TRANSPARENCY **Sponsor** Rep. Harris; Sen. Holmes

Committee Hearing: Insurance Hearing May 10 2017 4:00PM Capitol 400 Springfield, IL

Synopsis As Introduced

Creates the Network Adequacy and Transparency Act. Provides that administrators and insurers, prior to going to market, must file with the Department of Insurance for review and approval a description of the services to be offered through a network plan, with certain criteria included in the description. Provides that the network plan shall demonstrate to the Department, prior to approval, a minimum ratio of full-time equivalent providers to plan beneficiaries and maximum travel and distance standards for plan beneficiaries, which shall be established annually by the Department based upon specified sources. Provides that the Department shall conduct quarterly audits of network plans to verify compliance with network adequacy standards. Establishes certain notice requirements. Provides that a network

KEY

LEGISLATION

- SB 16 – President Cullerton – PENSION-VARIOUS
- HB 4045 – Rep. Currie – PEN CD-VARIOUS

plan shall provide for continuity of care for its beneficiaries under certain circumstances and according to certain requirements. Provides that a network plan shall post electronically a current and accurate provider directory and make available in print, upon request, a provider directory subject to certain specifications. Provides that the Department is granted specific authority to issue a cease and desist order against, fine, or otherwise penalize any insurer or administrator for violations of any provision of the Act. Makes other changes. Effective January 1, 2018.

House Committee Amendment No. 1

Replaces everything after the enacting clause. Reinserts the introduced bill with the following changes: Removes the definition of "administrator". Includes in the definition of "insurer" workers compensation insurance and pharmacy benefit managers. Defines "telehealth" and "telemedicine". Removes references to "administrators" throughout the Act. Removes provisions requiring an insurer providing a network plan to file the following information with the Director of Insurance: the method of the marketing plan and certain written policies and procedures. Provides that insurers shall provide the Director a description of how the use of telemedicine, telehealth, or mobile care services may be used to partially meet the network adequacy standards (rather than a description of each network hospital of the percentage of physicians in certain specialties who practice in the hospital are in the insurer's network). Provides that the Department shall consider establishing ratios for certain physicians or other providers (rather than requiring ratios at a minimum to include certain physicians or other providers). Provides that maximum travel and distance standards for network plan beneficiaries established annually by the Department shall be done in consultation with the Department of Public Health. Removes the requirement that the network plan must demonstrate, prior to approval, that it has contracted with physicians who specialize in certain areas in sufficient numbers at any in-network facility or in-network hospital so patients have reasonable access to the in-network physicians. Provides that the network plan shall demonstrate sufficient inpatient services. Provides that the network plan may consider use of other health care service delivery options. Provides that the Director may (rather than shall) conduct periodic (rather than semi-annual) audits of the accuracy of provider directories. Removes language granting the Director specific authority to issue a cease and desist order against, fine, or otherwise penalize any insurer for violations of any provision of the Act. Makes other changes.

House Floor Amendment No. 2

Provides that the Act applies to an individual or group policy of accident and health insurance with a network plan amended, delivered, issued, or renewed in this State on or after January 1, 2019. Defines "authoritative representative". Removes references to "exchange plans or Medicare Advantage Plans". Removes language that requires insurers to file a description of services for review prior to going to market. In provisions concerning notice of renewal or termination, includes language that primary care providers must notify active affected patients of nonrenewal or termination of the provider from the network plan, except in the case of incapacitation. Adds provisions concerning facility nonparticipating provider transparency. Makes other changes. Provides that the bill takes effect upon becoming law (rather than on January 1, 2018).

Senate Committee Amendment No. 1

In provisions concerning network adequacy, removes language providing that the network plan shall demonstrate sufficient inpatient services, including services by preferred providers who specialize in emergency medicine, anesthesiology, pathology, and radiology. Removes provisions concerning facility nonparticipating provider transparency.

Last Action

Date	Chamber	Action
5/12/2017	Senate	Placed on Calendar Order of 3rd Reading May 15, 2017

HB 350

PEN CD-FELONY FORFEITURE

Sponsor Rep. McSweeney; Sen. Althoff

Synopsis As Introduced

Amends the Illinois Pension Code. Provides for the forfeiture of benefits for any person who otherwise would receive a survivor benefit who is convicted of any felony relating to or arising out of or in connection with the service of the member from whom the benefit results. Provides that all participants entering service after the effective date of the amendatory Act shall be deemed to have consented to that provision. Provides that the

changes under the amendatory Act shall not impair any contract or vested right acquired by a survivor before the effective date of the amendatory Act. Effective immediately.

Senate Committee Amendment No. 1

In the State Universities Article: (1) removes a reference to survivor benefits and provides that no benefits shall be paid to any person who is convicted of any felony relating to or arising out of or in connection with a person's service as an employee from which the benefit derives; (2) provides that all participants entering service on or subsequent to (rather than subsequent to) the effective date of the amendatory Act shall be deemed to have consented to the provisions of the amendatory Act as a condition of participation; and (3) makes a grammatical and stylistic change.

Last Action

Date	Chamber	Action
5/12/2017	Senate	Placed on Calendar Order of 3rd Reading May 15, 2017

HB 4027 PEN CD-VARIOUS

Sponsor Rep. Jim Durkin

Committee Hearing: Personnel & Pensions Committee Hearing May 16 2017 4:00PM Capitol Building Room 122B Springfield, IL

Synopsis As Introduced

Amends the Illinois Pension Code. In Articles 2, 14, 15, 16, and 17, requires active Tier 1 employees to elect either (i) to have automatic annual increases in retirement and survivor's annuities delayed and reduced or (ii) to maintain current benefits except for additional limits on pensionable salary; provides additional benefits to persons electing item (i). Makes funding changes, including shifting certain costs to employers under Articles 15 and 16. Restricts participation in the General Assembly Retirement System to persons who became participants before the effective date. In Articles 14, 15, and 16, requires those Systems to offer an optional accelerated benefit payment to certain members in lieu of receiving a pension. Provides separate benefits for certain persons who become participants under Article 14, 15, or 16. Requires those retirement systems to establish a defined contribution plan for certain members; in Articles 7, 8, 9, 10, 11, 12, 13, and 17, establishes similar benefits if the governing body of the unit of local government adopts those benefits. In Article 17, requires the State to contribute \$215,200,000 for fiscal year 2017. Provides a continuing appropriation for the Article 17 State contribution and for certain consideration payments. Amends various Acts to make conforming changes. Provides for the transfer of certain amounts to the Pension Stabilization Fund. Amends the Illinois Educational Labor Relations Act and the Illinois Public Labor Relations Act to prohibit bargaining and interest arbitration regarding certain changes made by the amendatory Act; exempts certain existing agreements. Makes other changes. Includes severability provisions. Effective immediately.

Last Action

Date	Chamber	Action
5/9/2017	House	Assigned to Personnel & Pensions Committee

HB 4045 PEN CD-VARIOUS

Sponsor Rep. Barbara Flynn Currie

Committee Hearing: Personnel & Pensions Committee Hearing May 16 2017 4:00PM Capitol Building Room 122B Springfield, IL

Synopsis As Introduced

Amends the Illinois Pension Code. In Articles 2, 14, 15, 16, and 17, requires active Tier 1 employees to elect either (i) to have automatic annual increases in retirement and survivor's annuities delayed and reduced or (ii) to maintain current benefits except for additional limits on pensionable salary; provides additional benefits to persons electing item (i). Makes funding changes, including shifting certain costs to employers under Articles 15 and 16.

Restricts participation in the General Assembly Retirement System to persons who became participants before the effective date. In Articles 14, 15, and 16, requires those Systems to offer an optional accelerated benefit payment to certain members in lieu of receiving a pension. Provides separate benefits for certain persons who become participants under Article 14, 15, or 16. Requires those retirement systems to establish a defined contribution plan for certain members; in Articles 7, 8, 9, 10, 11, 12, 13, and 17, establishes similar benefits if the governing body of the unit of local government adopts those benefits. In Article 17, requires the State to contribute \$215,200,000 for fiscal year 2017. Provides a continuing appropriation for the Article 17 State contribution and for certain consideration payments. Amends various Acts to make conforming changes. Provides for the transfer of certain amounts to the Pension Stabilization Fund. Amends the Illinois Educational Labor Relations Act and the Illinois Public Labor Relations Act to prohibit bargaining and interest arbitration regarding certain changes made by the amendatory Act; exempts certain existing agreements. Makes other changes. Includes severability provisions. Effective immediately.

Last Action

Date	Chamber	Action
5/9/2017	House	Assigned to Personnel & Pensions Committee

SB 11

PEN CD-TIER 1 ELECTION

Sponsor Sen. John J. Cullerton

Synopsis As Introduced

Amends the General Assembly, State Universities, Downstate Teacher, and Chicago Teacher Articles of the Illinois Pension Code. Requires active Tier 1 employees to elect either to (i) have automatic annual increases in retirement annuity delayed and reduced or (ii) maintain the current benefit package with additional limitations on pensionable salary. Provides that a Tier 1 employee who elects item (i) is entitled to have future increases in income treated as pensionable income, have contributions reduced to a specified rate, and receive a consideration payment of 10% of contributions made prior to the election. Provides that a Tier 1 employee who elects item (ii) is not eligible to have future increases in income treated as pensionable income. Makes funding changes. Restricts participation in the General Assembly Retirement System to persons who became participants before the effective date. Amends the State Pension Funds Continuing Appropriation Act to provide a continuing appropriation for the amounts of the consideration payments. In the Chicago Teacher Article, requires the Fund to make consideration payments. Amends various Acts to make conforming changes. Amends the Illinois Educational Labor Relations Act and the Illinois Public Labor Relations Act to prohibit bargaining and interest arbitration regarding changes made by the amendatory Act; exempts certain existing agreements. Amends the State Mandates Act to require implementation without reimbursement. Makes other changes. Effective immediately, but this Act does not take effect at all unless Senate Bills 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13 of the 100th General Assembly become law.

Senate Floor Amendment No. 3

Replaces everything after the enacting clause. Reinserts the provisions of the introduced bill, but with changes that include the following. Further amends the Illinois Pension Code. In the General Assembly Article, provides that a Tier 1 employee must make the election before March 31, 2018 (instead of March 1, 2018). In the General Assembly, State Universities, Downstate Teachers, and Chicago Teachers Articles, makes changes to provisions concerning a Tier 1 employee's acceptance of a future increase in income and specifies that the election to have automatic annual increases reduced also applies to survivors annuities. Changes the definition of "future increase in income" to reference increases to a Tier 1 employee's base pay (instead of an increase in income in any form) and adds a definition of "base pay". In the General Assembly, State Employee, State Universities, and Downstate Teachers Articles, makes changes to the funding formulas. In the Chicago Teacher Article, provides that the State Comptroller (instead of the Fund) will make the consideration payments and amends the State Pension Funds Continuing Appropriation Act to provide a continuing appropriation for those consideration payments. In the State Universities and Downstate Teacher Articles, requires an additional contribution from employers for employees that earn more than \$140,000 (instead of more than the salary set for the Governor) in a school year. In the State Employee, State Universities, and Downstate Teachers Articles, no later than January 1, 2018 and each year thereafter, requires those Systems to calculate the net present value of the pension benefits for certain inactive members and to offer those members the opportunity to elect to receive an accelerated pension benefit payment equal to 70% of the net present value of his or her pension benefits in lieu of receiving any pension benefit.



Provides that if a person elects to receive an accelerated pension benefit payment, his or her credits and creditable service under that Article shall be terminated upon receipt of the accelerated pension benefit payment; except that the terminated service credit shall be used for the purposes of determining participation and benefits under the State Employees Group Insurance Act of 1971. Makes other changes. Effective immediately, but does not take effect at all unless Senate Bills 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13 of the 100th General Assembly become law.

Last Action

Date	Chamber	Action
2/8/2017	Senate	Third Reading - Lost; 018-029-010

SB 16

PENSION-VARIOUS

Sponsor Sen. John J. Cullerton

Synopsis As Introduced

Amends the Illinois Act on the Aging. Makes a technical change in a Section concerning the short title.

Senate Floor Amendment No. 1

Replaces everything after the enacting clause. Amends the General Assembly, State Employee, State Universities, Downstate Teacher, and Chicago Teacher Articles of the Illinois Pension Code. Requires active Tier 1 employees to elect either to (i) have automatic annual increases in retirement and survivor's annuities delayed and reduced or (ii) maintain the current benefit package with additional limitations on pensionable salary. Provides that a Tier 1 employee who elects item (i) is entitled to have future increases in income treated as pensionable income, have contributions reduced to a specified rate, and receive a consideration payment of 10% of contributions made prior to the election. Provides that a Tier 1 employee who elects item (ii) is not eligible to have future increases in income treated as pensionable income. Makes funding changes. Restricts participation in the General Assembly Retirement System to persons who became participants before the effective date. Provides separate benefits for persons who, on or after 6 months after the effective date, first become participants or members under the State Universities or Downstate Teachers Article or a noncovered participant under the State Employees Article. Requires each affected retirement system to establish a defined contribution plan for certain members or participants. In the Illinois Municipal Retirement Fund (IMRF), Chicago Municipal, Cook County, Cook County Forest Preserve, Chicago Laborers, Chicago Park District, Metropolitan Water Reclamation District, and Chicago Teachers Articles, establishes similar benefits if the governing body of the unit of local government adopts those benefits by resolution or ordinance. In the State Employee, State Universities, and Downstate Teachers Articles, requires those Systems to calculate the net present value of the pension benefits for certain inactive members and to offer those members the opportunity to elect to receive an accelerated pension benefit payment equal to 70% of the net present value of his or her pension benefits in lieu of receiving any pension benefit. Amends the State Employees Group Insurance Act of 1971 to make a conforming change. Amends the Budget Stabilization Act. Provides for the transfer of certain amounts from the General Revenue Fund to the Pension Stabilization Fund. Amends the State Pension Funds Continuing Appropriation Act to provide a continuing appropriation for the amounts of the consideration payments. Amends various Acts to make conforming changes. Amends the Illinois Educational Labor Relations Act and the Illinois Public Labor Relations Act to prohibit bargaining and interest arbitration regarding certain changes made by the amendatory Act; exempts certain existing agreements. Amends the State Mandates Act to require implementation without reimbursement. Makes other changes. Effective immediately.

Senate Floor Amendment No. 2

Replaces the effective date Section. Effective immediately, but this Act does not take effect at all unless Senate Bills 1, 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13 of the 100th General Assembly become law.

Last Action

Date	Chamber	Action
2/28/2017	Senate	Placed on Calendar - Consideration Postponed March 1, 2017

SB 363

PUBLIC EMPLOYEE BENEFITS-TECH

Sponsor Sen. Julie A. Morrison**Senate Floor Amendment No. 1**

Replaces everything after the enacting clause. Amends the General Provisions Article of the Illinois Pension Code. Provides that a person shall not be eligible to become a member or a participant in any pension fund or retirement system with respect to private employment. Provides that a person who first becomes a participant or member of a pension fund or retirement system on or after the effective date of the amendatory Act may not establish service credit in that pension fund or retirement system with respect to private employment. Provides that "private employment" includes any employment that is not compensated with funds under the control of a State agency, school district, unit of local government, public institution of higher education, municipal government, or county government or a body politic established under such government and also includes employment by a labor union or an organization representing governments, regardless of whether the organization receives dues from units of government.

Last Action

Date	Chamber	Action
3/28/2017	Senate	Placed on Calendar Order of 3rd Reading March 29, 2017

SB 634

STATE EMPLOYEE GRP INS-PAYMENT

Sponsor Sen. Bennett; Rep. Durkin**Synopsis As Introduced**

Amends the State Employees Group Insurance Act of 1971. Provides that the failure of the State of Illinois to adequately reimburse a dental provider for a period of 6 months from the date a claim was submitted may be considered by the provider to be a material breach of any associated participating provider contract utilized by the State for its employees. Provides that a dental provider who has an existing contract that provides services to State employees under this Act and who has not received timely reimbursement for services for a period of 6 months: (1) may consider the associated provider contract null and void for the State of Illinois; (2) may opt out of the obligation to provide services under the terms and conditions of the associated provider contract without penalty by the State or the administrator of the dental plan including any provision that allows for termination from any other commercial plans administered by the dental insurer without cause; and (3) shall, upon providing notice, be deemed an out-of-network provider from that time forward. Effective immediately.

Senate Floor Amendment No. 2

Replaces everything after the enacting clause. Amends the State Employees Group Insurance Act of 1971. Provides that the Department of Central Management Services may establish a vendor payment program for dentists providing services to State of Illinois employees under which qualified purchasers may purchase from participating vendors certain qualified accounts receivable owed by the State to the participating vendors. Provides that the program shall be subject to any State offset of the purchase price for which any qualified account receivable purchased under the program equals 100% of the base invoice amount associated with such account receivable, as determined by the State Comptroller. Provides that the purchase price for a qualified account receivable shall be determined by the Department of Central Management Services. Provides that in consideration of the payment of the purchase price, a participating dentist shall assign to the qualified purchaser all of its rights to payment of such qualified account receivable, including all current and future prompt payment penalties due relating to such qualified account receivable in accordance with the State Prompt Payment Act. Effective immediately.

Last Action

Date	Chamber	Action
5/11/2017	House	Referred to Rules Committee

SB 662

PEN CD-PENSION BUYOUT OPTION

Sponsor Sen. Michael E. Hastings**Synopsis As Introduced**

Creates the Pension Buyout Act. Authorizes the Department of Central Management Services to enter into contracts with approved vendors to provide pension buyout payments to eligible retirees in the General Assembly, State Employee, State Universities, and Judges Retirement Systems. Requires the Illinois Finance Authority to issue bonds if the amount appropriated to implement the pension buyout option is less than the amount necessary for the Department to pay the approved vendor the amount required under a contract between the Department and the approved vendor for any fiscal year. Provides that the contract entered into by the Department shall be subject to the applicable requirements of the Illinois Procurement Code. Amends the General Assembly, State Employee, State Universities, and Judges Articles of the Illinois Pension Code. Provides that an eligible retiree may relinquish his or her right to receive any benefits from the system in exchange for a lump sum payment made by an approved vendor that is equal to the present value of the retirement annuity. Provides that a person who participates in the pension buyout option shall be entitled to any benefits under the State Employees Group Insurance Act of 1971 that he or she would have otherwise been entitled to. Contains provisions concerning the form of the contract; rulemaking; notice to the System; certification to the Department of the amount of lump sum payments made; and qualified plan status. Amends the State Employees Group Insurance Act of 1971, the Department of Central Management Services Law of the Civil Administrative Code of Illinois, the Illinois Procurement Code, and the Illinois Finance Authority Act to make related changes. Effective July 1, 2018.

Last Action

Date	Chamber	Action
5/5/2017	Senate	Rule 3-9(a) / Re-referred to Assignments

SB 779

PEN CD-INVESTMENT DISCLOSURE

Sponsor Sen. Daniel Biss**Synopsis As Introduced**

Amends the General Provisions Article of the Illinois Pension Code in relation to investment transparency. Defines terms. Provides that within 90 days after entering into a new agreement to invest in an alternative investment fund, a public retirement system must disclose certain specified provisions of the agreement. Provides that a public retirement system shall require its alternative investment fund external managers and general partners to make certain annual disclosures concerning certain fees and expenses, in regard to each alternative investment fund. Provides that supplying a public retirement system with a completed reporting template developed by the Institutional Limited Partners Association constitutes compliance with certain reporting requirements. Declares the disclosures to be public records and requires their publication on the public retirement system's website. Amends the Freedom of Information Act to make a conforming change. Effective immediately.

Last Action

Date	Chamber	Action
4/26/2017	Senate	Placed on Calendar Order of 3rd Reading April 27, 2017

SB 1012

PUBLIC EMPLOYEE BENEFITS-TECH

Sponsor Sen. Dale A. Righter**Synopsis As Introduced**

Amends the Illinois Pension Code. Makes a technical change in a Section concerning downstate firefighters.

Senate Floor Amendment No. 1

Replaces everything after the enacting clause. Amends the Illinois Pension Code. With respect to the 5 State-funded Retirement Systems: requires each System to implement a Tier 3 plan by July 1, 2018 that aggregates State and employee contributions in individual participant accounts which are used for payouts after retirement. Provides that a person who becomes a participant of a System on or after July 1, 2018 shall participate in the Tier

3 plan instead of the defined benefit plan. Authorizes a Tier 1 or Tier 2 participant to elect to participate in the Tier 3 plan instead of the defined benefit plan and to also elect to terminate all participation in the defined benefit plan and to have a specified amount credited to his or her account. Repeals provisions relating to the defined contribution plan established under Public Act 98-599, which has been held unconstitutional. Makes related changes in the State Employees Group Insurance Act of 1971. Effective immediately.

Last Action

Date	Chamber	Action
3/28/2017	Senate	Placed on Calendar Order of 3rd Reading March 29, 2017

SB 1404 PEN CD-GARS-NEW SENATE MEMBERS **Sponsor** Sen. Thomas Cullerton

Synopsis As Introduced

Amends the General Assembly Article of the Illinois Pension Code. Restricts participation in the General Assembly Retirement System by members of the Senate to persons who become participants before June 1, 2018 and provides that, beginning on that date, the System shall not accept any new participants who are members of the Senate. Makes related changes. Effective immediately.

Last Action

Date	Chamber	Action
3/9/2017	Senate	Placed on Calendar Order of 2nd Reading March 14, 2017

SB 1647 JUDICIAL PRIVACY-RETIRED JUDGE **Sponsor** Sen. Silverstein; Rep. Cassidy

Committee Hearing:

Judiciary - Civil Committee Hearing May 17 2017 9:00AM Stratton Building Room C-1 Springfield, IL
Civil Procedure Subcommittee Hearing May 17 2017 9:01AM Stratton Building Room C-1 Springfield, IL

Synopsis As Introduced

Amends the Judicial Privacy Act. Provides that "judicial officer" includes retired justices and judges. Effective immediately.

Senate Floor Amendment No. 1

Provides that "judicial officer" includes actively employed and former or deceased justices and judges (rather than actively employed and retired justices and judges).

Last Action

Date	Chamber	Action
5/10/2017	House	To Civil Procedure Subcommittee

SB 2172 PEN CD-VARIOUS **Sponsor** Sen. Michael Connelly

Synopsis As Introduced

Amends the Illinois Pension Code. Restricts participation in the General Assembly Retirement System to persons who became participants before the effective date. Provides separate benefits for persons who, on or after 6 months after the effective date, first become participants or members under the State Universities or Downstate Teachers Article or a noncovered participant under the State Employees Article. Requires those

retirement systems to establish a defined contribution plan for certain members. In the IMRF, Chicago Municipal, Cook County, Cook County Forest Preserve, Chicago Laborers, Chicago Park District, Metropolitan Water Reclamation District, and Chicago Teachers Articles, establishes similar benefits if the governing body of the unit of local government adopts those benefits by resolution or ordinance. In the State Employee, State Universities, and Downstate Teachers Articles, requires those Systems to offer certain inactive members the opportunity to elect to receive an accelerated pension benefit payment equal to 70% of the net present value of their pension benefits in lieu of receiving any pension benefit. In the 5 State-funded retirement systems and the Chicago Teachers Pension Fund, makes funding changes. In the State Universities and Downstate Teachers Articles, shifts certain costs to the local employer. In the Chicago Teachers Article, requires the State to contribute \$215,200,000 for fiscal year 2017 and provides a continuing appropriation from the Common School Fund for that contribution. Amends the Budget Stabilization Act. Provides for the transfer of certain amounts from the General Revenue Fund to the Pension Stabilization Fund. Makes other changes. Effective immediately.

Last Action

Date	Chamber	Action
4/7/2017	Senate	Rule 3-9(a) / Re-referred to Assignments

SB 2173

PEN CD-VARIOUS

Sponsors Sen. Michael Connelly

Synopsis As Introduced

Amends the General Assembly, State Employee, State Universities, Downstate Teacher, and Chicago Teacher Articles of the Illinois Pension Code. Requires active Tier 1 employees to elect either to (i) have automatic annual increases in retirement and survivor's annuities delayed and reduced or (ii) maintain their current benefit package with additional limitations on pensionable salary. Provides that a Tier 1 employee who elects item (i) is entitled to have future increases in income treated as pensionable income, have contributions reduced to a specified rate, and receive a consideration payment of 10% of contributions made prior to the election. Provides that a Tier 1 employee who elects item (ii) is not eligible to have future increases in income treated as pensionable income. Makes funding changes. Amends the State Pension Funds Continuing Appropriation Act to provide a continuing appropriation for the amounts of the consideration payments. Amends various Acts to make conforming changes. Amends the Illinois Educational Labor Relations Act and the Illinois Public Labor Relations Act to prohibit bargaining and interest arbitration regarding certain changes made by the amendatory Act and to provide that no action of the employer taken to implement that prohibition shall give rise to an unfair labor practice under those Acts; exempts certain existing agreements. Amends the State Mandates Act to require implementation without reimbursement. Makes other changes. Effective immediately.

Last Action

Date	Chamber	Action
4/7/2017	Senate	Rule 3-9(a) / Re-referred to Assignments

SB 2193

PEN CD-GARS-VARIOUS

Sponsor Sen. Kyle McCarter

Committee Hearing: Licensed Activities and Pensions Hearing May 18 2017 2:30PM Capitol 400 Springfield, IL
 Subcommittee on Special Issues (LA) Hearing May 18 2017 2:00PM Capitol 400 Springfield, IL

Synopsis As Introduced

Amends the General Assembly Article of the Illinois Pension Code. Restricts participation in the General Assembly Retirement System to persons who became participants before the effective date of the amendatory Act. Beginning in fiscal year 2018, makes funding changes. Requires the Board to recalculate and recertify the amount of the State's required contribution for fiscal year 2018. Establishes a voluntary defined contribution plan for certain Tier 1 members and makes conforming changes in the Retirement Systems Reciprocal Act (Article 20 of the Code). Repeals provisions concerning a defined contribution plan added by Public Act 98-599, which has

been held unconstitutional. Effective immediately.

Last Action

Date	Chamber	Action
5/11/2017	Senate	To Subcommittee on Special Issues (LA)

SB 2194 PEN CD-VARIOUS

Sponsor Sen. Christine Radogno

Synopsis As Introduced

Amends the State Employee, State Universities, Downstate Teacher, and Chicago Teacher Articles of the Illinois Pension Code. Requires active Tier 1 employees to elect either to (i) have automatic annual increases in retirement and survivor's annuities delayed and reduced or (ii) maintain their current benefit package with additional limitations on pensionable salary. Provides that a Tier 1 employee who elects item (i) is entitled to have future increases in income treated as pensionable income, have contributions reduced to a specified rate, and receive a consideration payment of 10% of contributions made prior to the election. Provides that a Tier 1 employee who elects item (ii) is not eligible to have future increases in income treated as pensionable income. Makes funding changes. Amends the State Pension Funds Continuing Appropriation Act to provide a continuing appropriation for the amounts of the consideration payments. Amends various Acts to make conforming changes. Amends the Illinois Educational Labor Relations Act and the Illinois Public Labor Relations Act to prohibit bargaining and interest arbitration regarding certain changes made by the amendatory Act and to provide that no action of the employer taken to implement that prohibition shall give rise to an unfair labor practice under those Acts; exempts certain existing agreements. Amends the State Mandates Act to require implementation without reimbursement. Makes other changes. Effective immediately.

Last Action

Date	Chamber	Action
5/12/2017	Senate	Rule 3-9(a) / Re-referred to Assignments

SB 2195 PEN CD-VARIOUS

Sponsor Sen. Christine Radogno

Synopsis As Introduced

Amends the Illinois Pension Code. Provides optional separate benefits for persons who, on or after 6 months after the effective date, first become participants or members under the State Universities or Downstate Teachers Article or a noncovered participant under the State Employee Article. Contains provisions concerning retirement conditions, the amount of the retirement annuity, the amount of the annual increases to the retirement annuity, the calculation of salary, and the amount of certain survivor benefits. Sets forth the amount of employee and employer contributions. Requires those retirement systems to establish a defined contribution plan for certain members. In the Chicago Teachers Article, establishes similar benefits if the governing body of the unit of local government adopts those benefits by resolution or ordinance. In the State Employee, State Universities, and Downstate Teachers Articles, requires those Systems to offer certain inactive members the opportunity to elect to receive an accelerated pension benefit payment equal to 70% of the net present value of their pension benefits in lieu of receiving any pension benefit. In the State Employee, State Universities, and Downstate Teachers Articles, makes funding changes. In the State Universities and Downstate Teachers Articles, shifts certain costs to the local employer. Makes other changes. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

Last Action

Date	Chamber	Action
5/12/2017	Senate	Rule 3-9(a) / Re-referred to Assignments