

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 Section 9-228 as follows:

(40 ILCS 5/9-228) (from Ch. 108 1/2, par. 9-228)

Sec. 9-228. Attachment; withholding.

(a) The annuities, pensions, refunds, and disability benefits granted under this Article shall be exempt from attachment or garnishment process and shall not be seized, taken, subjected to, detained, or levied upon by virtue of any judgment, or any process or proceeding whatsoever issued out of or by any court in this State, for the payment and satisfaction in whole or in part of any debt, damage, claim, demand, or judgment against any annuitant, pensioner, person entitled to a refund, or other beneficiary hereunder.

(b) No annuitant, pensioner, person entitled to a refund, or other beneficiary shall have any right to transfer or assign his annuity or disability benefit or any part thereof by way of mortgage or otherwise except that an annuitant or a widow annuitant who elects to participate in any group hospitalization plan or group medical surgical plan shall have the right to authorize the Board to deduct the cost to him of

such plan from the annuity check and to pay such deducted amount to the group insurance carrier, provided, however, that the Board in its discretion may terminate such right; provided, that the board in its discretion may pay to the wife of any annuitant, pensioner, refund applicant, or disability beneficiary such an amount out of her husband's annuity, pension, refund, or disability benefit as any court may order, or such an amount as the board may consider necessary for the support of his wife or children or both in the event of his disappearance or unexplained absence or his failure to support such wife or children.

(c) The board may retain out of any future annuity, pension, refund or disability benefit payments, such amount, or amounts, as it may require for the repayment of any moneys paid to any annuitant, pensioner, refund applicant, or disability beneficiary through misrepresentation, fraud or error. Any such action of the board shall relieve and release the board and the fund from any liability for any moneys so withheld.

(d) Whenever an annuity, pension, refund, or disability benefit is payable to a minor or to a person adjudged to be under legal disability, the board, in its discretion and when to the best interest of the person concerned, may waive guardianship proceedings and pay the annuity, pension, refund or benefit to the person providing or caring for the minor and to the wife, parent or blood relative providing or caring for the person.

In the event that a person certified by a medical doctor to be under legal disability (i) has no spouse, blood relative, or other person providing or caring for him or her, (ii) has no guardian of his or her estate, and (iii) is confined to a Medicare-certified, State-licensed nursing home or to a publicly owned and operated nursing home, hospital, or mental institution, the Board may pay any benefit due that person to the nursing home, hospital, or mental institution, to be used for the sole benefit of the person under legal disability.

Payment in accordance with this subsection to a person, nursing home, hospital, or mental institution for the benefit of a minor or person under legal disability shall be an absolute discharge of the Fund's liability with respect to the amount so paid. Any person, nursing home, hospital, or mental institution accepting payment under this subsection shall notify the Fund of the death or any other relevant change in the status of the minor or person under legal disability.

(e) An annuitant may authorize the withholding of a portion of his annuity for payment of dues to any labor organization designated by the annuitant; however, no portion of annuities may be withheld pursuant to this subsection for payment to any one labor organization unless a minimum of 100 annuitants authorize such withholding, except that the Board may allow such withholding for less than 100 annuitants during a probationary period of between 3 and 6 months, as determined by the Board. The Board shall prescribe a form for the

authorization of such withholding, 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.

Any such labor organization shall have access to the Fund's mailing list of annuitants, upon such terms as the Board may approve. The expenses of any mailing conducted by the labor organization shall be borne by the labor organization.

(Source: P.A. 87-793.)

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