

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 adding Sections 4-108.7 and 6-227.1 as follows:

(40 ILCS 5/4-108.7 new)

Sec. 4-108.7. Transfer of creditable service from the Firemen's Annuity and Benefit Fund of Chicago. Until 6 months after the effective date of this amendatory Act of the 101st General Assembly, any active participant in a fund established under this Article may transfer to that fund creditable service accumulated under Article 6 of this Code upon payment to the Article 4 fund, within 5 years after the date of application, of an amount equal to the difference between the amount of employee and employer contributions transferred to the Article 4 fund under Section 6-227.1 and the amounts determined by the Article 4 fund in accordance with this Section, plus interest on that difference at the actuarially assumed rate, compounded annually, from the date of service to the date of payment.

The Article 4 fund must determine the firefighter's payment required to establish creditable service under this Section by taking into account the appropriate actuarial assumptions, including without limitation the firefighter's service, age,

and salary history; the level of funding of the Article 4 fund; and any other factors that the Article 4 fund determines to be relevant. For this purpose, the firefighter's required payment should result in no significant increase to the Article 4 fund's unfunded actuarial accrued liability determined as of the most recent actuarial valuation, based on the same assumptions and methods used to develop and report the Article 4 fund's actuarial accrued liability and actuarial value of assets under Statement No. 25 of Governmental Accounting Standards Board or any subsequent applicable Statement.

(40 ILCS 5/6-227.1 new)

Sec. 6-227.1. Transfer of creditable service to Article 4.

(a) Until 6 months after the effective date of this amendatory Act of the 101st General Assembly, any active participant in an Article 4 pension fund may apply for transfer of creditable service accumulated in the Firemen's Annuity and Benefit Fund of Chicago to any Article 4 pension fund. Such creditable service shall be transferred only upon payment by the Firemen's Annuity and Benefit Fund of Chicago 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;

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

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

reinstate service.

Participation in the Firemen's Annuity and Benefit Fund of Chicago as to any credits transferred under this Section shall terminate on the date of transfer.

(b) An active participant in an Article 4 pension fund applying for a transfer of creditable service under subsection (a) may reinstate credits and creditable service terminated upon receipt of a refund by payment to the Article 4 pension fund of the amount of the refund with interest thereon at the actuarially assumed rate, compounded annually, from the date of the refund to the date of payment.

Section 90. The State Mandates Act is amended by adding Section 8.43 as follows:

(30 ILCS 805/8.43 new)

Sec. 8.43. 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 101st General Assembly.

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