

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 8-244.1 as follows:

(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 a ~~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

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annuitants of their rights under this subsection (b), the form 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; 101-69, eff. 7-12-19.)