

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 15-150, 15-153, 15-153.2, and 15-198 as follows:

(40 ILCS 5/15-150) (from Ch. 108 1/2, par. 15-150)

Sec. 15-150. Disability benefits; eligibility benefits~~—~~
~~Eligibility~~. A participant may be granted a disability benefit if: (1) while a participating employee, he or she becomes physically or mentally incapacitated and unable to perform the duties of his or her assigned position for any period exceeding 60 days; and (2) the employee had completed 2 years of service at the time of disability, unless the disability is a result of an accident or the employee is a police officer who qualifies for the calculation under subsection (b) of Section 15-153.

An employee shall be considered disabled only during the period for which the board determines, based upon the evidence listed below, that the employee is unable to reasonably perform the duties of his or her assigned position as a result of a physical or mental disability. This determination shall be based upon:

(i) a written certificate from one or more licensed and practicing physicians appointed by or acceptable to the board, stating that the employee is disabled and unable to reasonably perform the duties of his or her assigned position;

(ii) a written certificate from the employer stating that the employee is unable to perform the duties of his or her assigned position and, if the employee is a police officer, the employer's position on whether the disability qualifies as a line of duty disability; and

(iii) any other medical examinations, hospital records, laboratory results, or other information necessary for determining the employment capacity and condition of the employee; ~~and~~

(iv) if the employee is a police officer applying for a line of duty disability, a written certification from one or more licensed and practicing physicians appointed by or acceptable to the board, stating that the disability qualifies as a line of duty disability under subsection (b) of Section 15-153.

The board shall prescribe rules governing the filing, investigation, control, and supervision of disability claims. Costs incurred by a claimant in connection with completing a claim for disability benefits shall be paid (A) by the claimant, in the case of the one required medical examination, medical certificate, and employer's certificate and any other

requirements generally imposed by the board on all disability benefit claimants; and (B) by the System, in the case of any additional medical examination or other additional requirement imposed on a particular claimant that is not imposed generally on all disability benefit claimants.

Pregnancy and childbirth shall be considered a disability.

The same application shall be used to determine eligibility for the calculation of disability benefits under subsection (a) or subsection (b) of Section 15-153.

(Source: P.A. 90-766, eff. 8-14-98.)

(40 ILCS 5/15-153) (from Ch. 108 1/2, par. 15-153)

Sec. 15-153. Disability benefits; amount ~~benefits~~
~~Amount.~~

(a) Except as provided in subsection (b), the ~~The~~ disability benefit shall be the greater of (1) 50% of the basic compensation which would have been paid had the participant continued in service for the entire period during which disability benefits are payable, excluding wage or salary increases subsequent to the date of disability or extra prospective earnings on a summer teaching contract or other extra service not yet entered upon or (2) 50% of the participant's average earnings during the 24 months immediately preceding the month in which disability occurs. In determining the disability benefit, the basic compensation of a participating employee on leave of absence or on lay-off

status shall be assumed to be equal to his or her basic compensation on the date the leave of absence or lay-off begins.

(b) In lieu of the amount of the disability benefit otherwise provided for in subsection (a) of this Section, for a participant who is employed as a police officer and who incurs a line of duty disability, the disability benefit under this Section shall be the greater of: (1) 65% of the basic compensation that would have been paid had the participant continued in employment for the entire period during which disability benefits are payable, excluding wage or salary increases subsequent to the date of disability; or (2) 65% of the participant's average earnings during the 24 months immediately preceding the month in which disability occurs. In determining the disability benefit, the basic compensation of a participating employee on leave of absence or on lay-off status shall be assumed to be equal to his or her basic compensation on the date the leave of absence or lay-off begins.

Any police officer who suffers a heart attack or stroke as a result of the performance and discharge of police duty shall be considered to have been injured in the performance of an act of duty and shall be eligible for the calculation of benefits provided for under this subsection (b).

A police officer shall be considered to be in the performance of an act of duty while on any assignment approved

by the police officer's chief, whether the assignment is on or off the employer's property.

The changes made to this Section shall apply to participants whose line of duty disability occurred on or after January 1, 2022.

For the purposes of this Section, "line of duty disability" means that, as the result of sickness, accident, or injury incurred in or resulting from the performance of an act of duty, the police officer is found to be physically or mentally disabled for employment as a police officer so as to render necessary his or her suspension or retirement from employment as a police officer or is found to be unable to perform his or her duties as a police officer by reason of heart disease, stroke, tuberculosis, or any disease of the lungs or respiratory tract, resulting from employment as a police officer.

If the disability benefit is 50% of basic compensation under subsection (a) or 65% of basic compensation under subsection (b), payments during the academic year shall accrue over the period that the basic compensation would have been paid had the participant continued in service. If the disability benefit is 50% under subsection (a) or 65% under subsection (b) of the average earnings of the participant during the 24 months immediately preceding the month in which disability occurs, payments during the year shall accrue over a period of 12 months. Disability benefits shall be paid as of

the end of each calendar month during which payments accrue. Payments for fractional parts of a month shall be determined by prorating the total amount payable for the full month on the basis of days elapsing during the month. Any disability benefit accrued but unpaid on the death of a participant shall be paid to the participant's beneficiary.

(Source: P.A. 93-347, eff. 7-24-03.)

(40 ILCS 5/15-153.2) (from Ch. 108 1/2, par. 15-153.2)

Sec. 15-153.2. Disability retirement annuity.

(a) This subsection (a) applies to a participant receiving benefits calculated under subsection (a) of Section 15-153. A participant whose disability benefits are discontinued under the provisions of clause (6) of Section 15-152 and who is not a participant in the optional retirement plan established under Section 15-158.2 is entitled to a disability retirement annuity of 35% of the basic compensation which was payable to the participant at the time that disability began, provided that the board determines that the participant has a medically determinable physical or mental impairment that prevents him or her from engaging in any substantial gainful activity, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

(b) This subsection (b) applies to a participant receiving benefits calculated under subsection (b) of Section 15-153. A

participant whose disability benefits are discontinued under clause (6) of Section 15-152 and who is not a participant in the optional retirement plan established under Section 15-158.2 is entitled to a disability retirement annuity of 65% of the basic compensation that was payable to the participant at the time that disability began, provided that the board determines that the participant has a medically determinable physical or mental impairment that prevents him or her from engaging in any substantial gainful activity and can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months.

(c) The board's determination of whether a participant is disabled shall be based upon:

(i) a written certificate from one or more licensed and practicing physicians appointed by or acceptable to the board, stating that the participant is unable to engage in any substantial gainful activity; and

(ii) any other medical examinations, hospital records, laboratory results, or other information necessary for determining the employment capacity and condition of the participant.

The terms "medically determinable physical or mental impairment" and "substantial gainful activity" shall have the meanings ascribed to them in the federal Social Security Act, as now or hereafter amended, and the regulations issued thereunder.

(d) The disability retirement annuity payment period shall begin immediately following the expiration of the disability benefit payments under clause (6) of Section 15-152 and shall be discontinued for a recipient of a disability retirement annuity when (1) the physical or mental impairment no longer prevents the recipient from engaging in any substantial gainful activity, (2) the recipient dies, (3) the recipient elects to receive a retirement annuity under Sections 15-135 and 15-136, (4) the recipient refuses to submit to a reasonable physical examination by a physician approved by the board, or (5) the recipient fails to provide an earnings verification necessary to determine continuance of benefits. If a person's disability retirement annuity is discontinued under clause (1), all rights and credits accrued in the system on the date that the disability retirement annuity began shall be restored, and the disability retirement annuity paid shall be considered as disability payments under clause (6) of Section 15-152.

(e) The board shall adopt rules governing the filing, investigation, control, and supervision of disability retirement annuity claims. Costs incurred by a claimant in connection with completing a claim for a disability retirement annuity shall be paid: (A) by the claimant in the case of the one required medical examination, medical certificate, and any other requirements generally imposed by the board on all disability retirement annuity claimants; and (B) by the System

in the case of any additional medical examination or other additional requirement imposed on a particular claimant that is not imposed generally on all disability retirement annuity claimants.

(Source: P.A. 100-556, eff. 12-8-17.)

(40 ILCS 5/15-198)

Sec. 15-198. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after June 1, 2005 (the effective date of Public Act 94-4). "New benefit increase", however, does not include any benefit increase resulting from the changes made to Article 1 or this Article by Public Act 100-23, Public Act 100-587, Public Act 100-769, Public Act 101-10, Public Act 101-610, Public Act 102-16, or this amendatory Act of the 103rd General Assembly ~~this amendatory Act of the 102nd General Assembly~~.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Insurance. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including, without limitation, a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19; 101-610, eff. 1-1-20; 102-16, eff. 6-17-21.)

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