



Illinois Municipal Retirement Fund

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Member Services Representatives 1-800-ASK-IMRF

www.imrf.org

GENERAL MEMORANDUM

Number: 590

Date: September 11, 2009

To: All Authorized Agents

Subject: Recent Public Acts signed into law

Executive Summary

Several bills relating to IMRF have been signed into law by the governor. Two of the new public acts are highlighted below:

- School district employees who serve as IMRF trustees must be given at least 20 days of paid leave per year to attend Board meetings.
- School district employees who terminate participation from IMRF may now use all unused, unpaid sick leave from any prior school district employers in the calculation of their pension.

P.A. 96-0357

Paid leave for school district employees serving as an IMRF Trustee

Old Law: Employers who employed members elected to the IMRF Board were not required to provide members paid leave to attend Board meetings.

New Law: Each school board that employs an employee who is an elected Trustee of IMRF must provide that employee at least 20 days of paid leave of absence per year to attend Board meetings, Board committee meetings, and seminars regarding Board issues.

Signed on August 16 - effective immediately.

Please note: IMRF already reimburses employers for a trustee's salary, Social Security, and IMRF contributions for time spent attending Board meetings and performing duties on behalf of IMRF.

P.A. 96-0299

Cumulative sick leave service credit for school district employees

Old Law: Members may qualify for a maximum of one year of additional service credit for unused, unpaid sick leave accumulated with their last employer. This additional service credit applies only if the member is leaving employment for retirement and the effective date of the pension is within 60 days of the member's termination date. If a member is leaving an IMRF employer but is not retiring, he/she cannot "bank" the sick leave for a future retirement date.

New Law: Members retiring from a school district may qualify for a maximum of one year of additional service credit for unused, unpaid sick leave accumulated with any prior school district employer. The effective date of the member's pension must still be within 60 days of the member's termination date. Members currently participating with a school district and who have unused, unpaid sick leave with prior school district employers will be required to provide contemporaneous evidence of the unused, unpaid sick leave from previous school district employers.

Signed on August 11 - effective immediately.

P.A. 96-0775

Return to work for Early Retirement Incentive retirees

Old Law: If a member retires under the IMRF Early Retirement Incentive (ERI) and returns to work for any IMRF employer in any position, even as an independent contractor, the member will lose the ERI enhancements and pay IMRF the difference between the ERI enhanced pension and the pension he/she would have received without the ERI—less the amount the member paid for the ERI.

New Law: Allows a member who retired under ERI to keep his ERI-enhanced pension if he:

1. Entered into a personal services contract to perform police duties for the Village of Bartonville on or before the effective date of this Act and
2. Is appointed as an officer in the Village of Bartonville within six months after the effective date of this Act.

Signed on August 29 - effective immediately.

P.A. 96-0745

Transfer of IMRF service to SERS

Old Law: Transfer eligibility from IMRF to the State Employees' Retirement System (SERS) is limited.

New Law: The list of SERS participants allowed to transfer IMRF credit is expanded to include investigators for the Office of the Attorney General and the Department of Revenue. IMRF credit eligible for transfer to SERS is expanded to include credit earned as a police officer and full-time forest preserve district law enforcement officer.

Signed on August 25 - effective immediately.

P.A. 96-0753

Promote investment in Illinois

New Law: Pension funds and any State agency investing funds on behalf of pension funds are encouraged to promote the economy of Illinois through the use of economic opportunity investments within the bounds of financial and fiduciary prudence. Annual report on Illinois

economic opportunity investments required.
Signed on August 25 - effective immediately.

P.A. 96-0211

Will County Governmental League

New Law: The Will County Governmental League is now eligible to participate in IMRF as a participating instrumentality, but only if the League has a ruling from the United States Internal Revenue Service that it is a governmental entity.
Signed on August 10 - effective immediately.

P.A. 96-0551

United Counties Council

New Law: The United Counties Council is now eligible to participate in IMRF as a participating instrumentality, but only if the Council has a ruling from the United States Internal Revenue Service that it is a governmental entity.
Signed on August 17 - effective immediately.

P.A. 96-0586

Explicitly allow rollovers

New Law: Codifies IMRF's current procedures. If a member or beneficiary who is entitled to receive a lump sum distribution from IMRF requests the lump sum distribution be rolled over, IMRF may pay the distribution directly to any entity that 1) is designated in writing by the person, 2) is qualified under federal law to accept an eligible rollover distribution from a qualified plan, and 3) has agreed to accept the distribution.
Signed on August 18 - effective immediately.

Questions?

If you have any questions regarding the information presented in this memorandum, please call an IMRF Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673) 7:30 a.m. to 5:30 p.m., Monday through Friday.

Sincerely,



Louis W. Kosiba
Executive Director