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Legislation Details (With Text)

File #: O2020-2349
Type: Ordinance
Status: Failed to Pass
File created: 4/24/2020
In control: City Council
Final action: 5/24/2023
Title: Amendment of Municipal Code Title 3 by adding new Chapter 3-10 entitled "Essential Municipal Employees' Death Benefit Act"
Sponsors: Lopez, Raymond A., Napolitano, Anthony V., Cappleman, James
Indexes: Ch. 10 Essential Municipal Employees' Death Benefit Act
Attachments: 1. O2020-2349.pdf, 2. O2020-2349 (V1).pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	City Council	Failed to Pass	
4/21/2021	1	City Council	Re-Referred	
4/21/2021	1	City Council	Passed	
4/19/2021	1	Joint Committee: Finance; Budget and Government Operations	Recommended for Re-Referral	
12/16/2020	1	City Council	Re-Referred	
12/14/2020	1	Committee on Finance	Recommended for Re-Referral	
4/24/2020	1	City Council	Referred	

CITY OF CHICAGO CITY COUNCIL

CITY HALL ROOM 302 121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602 PHONE: 312-744-3380 FAX: 312-744-1955

April 21, 2021 CHICAGO, ILLINOIS

TO THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL:

Your Joint Committee on Finance and Committee on the Budget and Government Operations which was re-referred an ordinance amending Municipal Code Title 3 by adding new Chapter 3-10 entitled "Essential Municipal Employees' Death Benefit Act." (02020-2349)

Having the same under advisement, begs leave to report and recommend that Your Honorable Body Re-refer the proposed ordinance transmitted herewith to the Committee on the Budget and Government Operations.

This recommendation was concurred in by a unanimous vote of the members of the joint committee present with no dissenting votes on April 19, 2021.

Scott E. Waguespack, Chairman Committee on Finance
Pat Dowell, Chairman Committee on the Budget and Government Operations

Committee on Finance Chicago City Council Meeting April 22,
2020

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Title 3 of the Municipal Code of Chicago is hereby amended by adding a new Chapter 3-10, as follows:

CHAPTER 3-10 ESSENTIAL MUNICIPAL EMPLOYEES' DEATH BENEFIT ACT

ARTICLE I. ADMINISTRATION OF DEATH AWARDS

3-10-010 Authorization of fund.

Whenever the City Council shall appropriate a sum or sums of money for the payment of allowances of money to the family or dependents of any essential municipal employee performing such employee's duties for the City following the declaration of a state of emergency by the Mayor in case the essential municipal employee is killed or fatally injured while in the performance of such duties, the same shall be paid and disbursed in accordance with the following provisions.

3-10-020 Amount of fund.

The Essential Municipal Employees' Death Benefit Fund ("Benefit Fund") shall consist of such amount as shall be appropriated by the City Council following the declaration of a state of emergency by the Mayor.

3-10-030 Board of trustees.

A board composed of three members shall constitute a Board of Trustees authorized to carry out the following provisions dealing with the Benefit Fund, and shall be charged with the duty of administering the Benefit Fund. The Board of Trustees shall consist of the Chairman of the Committee on Finance, the President of the Board of Health, and the Commissioner of Human Resources, or if there is no such commissioner or president, then an acting head, as the case may be. The Board of Trustees shall be known by the name and title of "Board of Trustees of the Essential Municipal Employees' Death Benefit Fund".

3-10-040 Report of injury.

It shall be the duty of the commissioner of the department employing the essential municipal employee, upon the occurrence

of any injury in the performance of duty, to have immediate medical care and hospital treatment given to such injured employee, to make or cause to be made a complete and careful investigation of all facts surrounding the occurrence, to obtain the statements of all material witnesses, and to present the said report without delay to the Board of

Trustees for consideration and action thereon, including the determination as to whether or not such injury arose from the essential municipal employee's performance of such employee's duties during a state of emergency declared by the Mayor. To the extent possible, such report shall show the actual date and hour of the injury, the place of occurrence, the names and addresses of witnesses, the circumstances under which the injury was incurred, and the apparent nature and extent of the injury.

3-10-050 Required proof.

a) No such award or payment shall be made unless satisfactory proof shall have been presented to the Board of Trustees that death occurred within one year from the date of injury, that such injury arose from the essential municipal employee's performance of such employee's duties during a state of emergency declared by the Mayor, that such injury was received while in the performance of duty, and that such injury was the direct cause of death.

b) For the duration of the state of emergency declared by the Mayor on March 18, 2020 in Executive Order 2020-1, if an essential municipal employee contracts Coronavirus (COVID-19) and dies as a result, then the essential municipal employee shall be deemed to have contracted Coronavirus (COVID-19] while in the performance of such employee's duties, and that contracting the Coronavirus (COVID-19] was the direct cause of death.

3-10-060 Issuance of voucher.

The Board of Trustees shall submit to the Comptroller a report of its findings (including a certificate of the President of the Board of Health), stating that such death was the result of an injury received in the essential municipal employee's performance of such employee's duties during a state of emergency declared by the Mayor, in all cases where such is the determination of the Board of Trustees, naming the trustee bank and attaching a copy of the agreement made by it with the trustee bank so named; and the Comptroller upon receipt of said report shall act in lieu of the City Clerk and issue the proper voucher, as contemplated by law, from appropriations made by the City Council.

3-10-070 Deposit of awards.

It shall be the duty of the Board of Trustees to see that all allowances of money to the family or dependents of any essential municipal employee killed or fatally injured while in the performance of such employee's duties during a state of emergency declared by the Mayor shall be deposited in a duly accredited national or state bank acting as trustee and having its principal office in the City, as trustee of said money for conservation, investment as herein provided, and disbursement for the necessary support of such family or dependents and for the education of the children or dependent minor brothers and sisters of the deceased essential municipal employee. Said disbursement shall be in such amounts and at such times as the said trustee bank may deem to be to the best interests of such beneficiaries. Provided, that the provisions for the naming of any specific trustee bank by said Board of Trustees shall not be construed as affecting the carrying out of the other provisions of this Chapter in case it shall be found desirable for any reason to designate another trustee bank. Any trustee bank named pursuant to this chapter may be removed as trustee at any time.

3-10-080 Trust agreements.

The Board of Trustees shall enter into a trust agreement in each individual award with the trustee bank named by the Board of Trustees, under such terms and conditions as the Board of Trustees shall deem to be for the best interest of the beneficiary or beneficiaries. The Board of Trustees shall also fix the compensation to be paid such trustee bank for its services, such compensation to be an annual amount not to exceed one and one half percent per annum on the original allowance of money in each individual award

during the first year of said trust agreement, and one percent per annum on the original allowance of money in each individual award for each succeeding year during the existence of said trust agreement. However, in those cases where the total maximum compensation authorized to be paid per annum to the trustee bank or its services with respect to an award or awards established by the Board of Trustees as the result of the death of any one essential municipal employee to less than \$100.00 per annum, the Board of Trustees may increase the compensation of the trustee bank to \$100.00 per annum for administering any and all awards established as a result of the death of any one essential municipal employee. The compensation paid to the trustee bank shall be a charge against the award as distinguished from a disbursement for the benefit of the beneficiary or beneficiaries. The Board of Trustees may require at any time a report from the trustee bank as to any trust fund created under this chapter in addition to the annual report of such trustee bank to the Comptroller.

3-10-090 Successor trustee bank.

Whenever a trustee bank resigns or a successor trustee bank is appointed by the Board of Trustees, it shall be the duty of the Board of Trustees to require such trustee bank theretofore named to transfer and deliver to the successor trustee bank, all trust funds and trust property of any kind, character or description in its possession belonging to any trust created under this chapter, together with an accounting as to moneys received, securities purchased, investments made, interest earned, moneys disbursed, and to whom, and such other information as may be required by said successor trustee bank. Any trustee bank theretofore named as trustee shall immediately transfer and deliver to the trustee bank last named all such moneys or the securities in which such moneys were invested or other property of any kind, character or description, the avails of such moneys together with a financial statement of each separate trust fund theretofore received by it. .

3-10-100 Investments by trustee bank.

It shall be the duty of the trustee bank from time to time to invest all moneys entrusted to it and actually paid to said trustee bank in full faith and credit bonds of the United States, the State of Illinois, the County of Cook, the Metropolitan Water Reclamation District of Greater Chicago, the City of Chicago, or the Board of Education of the City of Chicago or in tax anticipation warrants of the County of Cook, the Metropolitan Water Reclamation District of Greater Chicago, the City of Chicago or Board of Education of Chicago, savings and time deposit certificates of a state bank or a national bank doing business in Illinois, to the extent that such deposits are insured by the United States Government or any agency thereof, with the usual powers of trustees of such funds, and to report annually in writing to the Comptroller of the City of Chicago as to each separate fund or allowance of money, said report to show the name of the beneficiary, the amount received, interest earned, disbursements made, balance on hand, and securities representing the balance.

3-10-110 Payments to minors and persons with mental or physical disabilities preventing self-support.

Whenever any moneys are payable to a minor whose remaining parent is dead, or to a person who has a mental or physical disability preventing self-support, the Board of Trustees shall have the power to waive guardianship or conservatorship proceedings whenever in the judgment of the Board of Trustees it may be advisable to do so. The Board of Trustees shall ascertain the name of the person caring for such minor and the name of the parent or relative providing for or caring for such person with a mental or physical disability preventing self-support, and shall notify in writing the trustee bank to pay such moneys to the person designated by the Board of Trustees as being the person who is caring for and providing for such minor or for such person with a mental or physical disability preventing self-support.

3-10-115 Burial expenses.

Burial expenses of essential municipal employees killed or fatally injured in the performance of their duties shall be paid and dispersed by the chairman of the committee on finance and in an amount not to exceed \$8,000.

ARTICLE II. DETERMINATION OF DEATH AWARDS

3-10-120 Amounts.

Awards made under this Chapter for the use and benefit of the beneficiaries shall be as

\$20,000 \$30,000 \$40,000 \$30,000 \$40,000 \$40,000 \$40,000 \$40,000
follows:

- (1) The spouse or qualified domestic partner of the deceased with no minor child or children
- [2J] The spouse or qualified domestic partner and one minor child of the deceased, in equal parts
- 3) The spouse or qualified domestic partner and two or more minor children of the deceased, in equal parts
- 4) The spouse or qualified domestic partner and father or mother of the deceased, in equal parts
- 5) The spouse or qualified domestic partner and father and mother of the deceased, in equal parts
- 6) The spouse or qualified domestic partner, one minor child and mother, father, or both, of the deceased, in equal parts
- 7) The spouse or qualified domestic partner, two or more minor children and father, mother, or both, of the deceased, in equal parts
- 8) Each minor child of the deceased with no surviving parent
- (9) A child that is physically or mentally disabled, in case he or she is dependent upon the deceased for support at the time of his death, shall be granted the allowances herein provided for a minor child.

10) When there are two or more beneficiaries of any allowance of money awarded for the support, maintenance and education of the family or dependents of any essential municipal employee, such allowances shall be for the use and benefit of such beneficiaries in equal parts.

11) When no beneficiaries would be eligible to receive awards under the provisions of this chapter then the estate shall be awarded the amount of \$15,000.

3-10-130 Reallocation upon death of beneficiary.

In the event of the death of any beneficiary, leaving one or more beneficiaries surviving, the trust fund remaining shall be reallocated for the use and benefit of the surviving beneficiary or beneficiaries in the following manner:

The trustee bank shall first determine the amount of the original award, in accordance with subparagraphs (1) to [11] inclusive of Section 3-10-120, which would have been made to the surviving beneficiary or beneficiaries had the deceased beneficiary not been a beneficiary upon the date of the original award. If the award thus determined is less than the original award made, the trustee bank shall ascertain the amount to be held by it for the benefit of the surviving beneficiary or beneficiaries by adding to the award thus determined the total interest received by the trust fund from the inception and by deducting from the sum of the redetermined award and the interest received, the total amount actually paid to or for the benefit of the surviving beneficiary or beneficiaries.

If the balance actually remaining in the trust (taken at its market value) is in excess of the net balance (taken at face value) found to be due to surviving beneficiary or beneficiaries, such excess, after deducting the expenses of the last illness and the funeral of the deceased beneficiary, shall revert to the city and be credited to the general corporate fund by the comptroller. If the balance actually remaining in the trust (taken at its market value) is less than the amount (taken at face value) found due to the surviving beneficiary or beneficiaries under the reallocated award, as aforesaid, the entire balance remaining in the trust shall be held by the trustee bank for the use and benefit of the surviving beneficiary or beneficiaries in accordance with the terms hereof.

3-10-140 Death of sole beneficiary.

In the event of the death of the last surviving beneficiary or of a sole beneficiary, all funeral expenses and medical expenses incident to the last illness of the deceased beneficiary shall be paid by the trustee bank and if, after payment of such medical and

funeral expenses, any portion of the award remains unexpended the trust shall terminate and such unexpended portion shall be returned to the city by the trustee bank and shall revert and be credited to the general corporate fund by the comptroller.

3-10-150 Marriage or attainment of majority - By beneficiary.

In the event of the marriage of any beneficiary or in the event that any minor beneficiary other than the spouse or qualified domestic partner of the deceased essential municipal employee shall attain the age of 21 years and shall be under no mental or physical disability preventing self-support and shall not be attending a school or college deemed accredited by the Board of Trustees, and there are other beneficiaries remaining, the funds remaining in the hands of the trustee bank shall be reallocated for the use and benefit of the other beneficiary or beneficiaries in the following manner:

The trustee bank shall first determine the amount of the original award, in accordance with subparagraphs (1) to (11) inclusive of Section 3-10-120 which would have been made to the remaining beneficiary or beneficiaries had such former beneficiary not been a beneficiary upon the date of the original award.

If the award thus determined is less than the original award made, the trustee bank shall ascertain the amount to be held by it for the benefit of the remaining beneficiary or beneficiaries by adding to the award thus determined the total interest received by the trust fund from the inception and by deducting from the sum of the redetermined award and the interest received, the total amount actually paid to or for the benefit of the remaining beneficiary or beneficiaries. If the balance actually remaining in the trust (taken at its market value) is in excess of the net balance (taken at the face value) found to be due to remaining beneficiary or beneficiaries, such excess shall revert to the City and be credited to the general corporate fund by the Comptroller.

If the balance actually remaining in the trust (taken at its market value) is less than the amount (taken at face value) found due to the remaining beneficiary or beneficiaries as aforesaid, the entire balance remaining in the trust shall be held by the trustee bank for the use and benefit of the remaining beneficiary or beneficiaries in accordance with the terms hereof.

3-10-160 Marriage or attainment of majority - By sole beneficiary.

In the event of the marriage of the last beneficiary of any trust fund, or in the event that the last remaining beneficiary is a minor and shall attain the age of 21 years and shall be under no mental or physical disability preventing self-support, the trust funds remaining in the hands of the trustee bank shall revert to the City and be credited to the general corporate fund by the Comptroller. The purpose of this provision is to encourage the said minor dependents to seek and secure educational advantages in the several trades, industrial lines or professions.

3-10-170 War service.

In the event a beneficiary shall have entered or hereafter shall enter the armed forces of the United States of America or its allies, or if in the judgment of the Board of Trustees any beneficiary shall be engaged in essential war activity requiring full time service which interferes with regular attendance at an accredited school, the right of such beneficiary with respect to attending school subsequent to attaining the age of 21 years (as allowed by Section 3-10-150), shall be preserved to and retained in such beneficiary for a period terminating six months from and after the date of his official separation or right to withdraw from such armed forces or war activity to the same effect as though such beneficiary had not attained age 21 years, but no part of the trust fund shall be segregated specifically for the use and benefit of such beneficiary. At the expiration of said six months' period, the balance remaining in the trust fund, if any, shall be used for the use and benefit of the said beneficiary and other remaining beneficiaries, in accordance with and subject to the other provisions of this section.

3-10-180 Loss due to depreciation.

It is the intention of this Chapter that upon reallocation of any award, as aforesaid, any loss to the trust arising from the depreciation in value of any assets held thereunder shall fall upon the reversionary interest of the city and not upon the remaining beneficiaries of the trust.

SECTION 2. The Annual Appropriation Ordinance is hereby amended by moving \$1,000,000.00 from the General Fund and depositing that sum into the Essential Municipal Employees' Death Benefit Fund.

SECTION 3. Sister agencies, as that term is defined in Section 1-23-010 of the Municipal Code of Chicago, are hereby urged to establish a fund to provide benefits to essential employees working during a state of emergency declared by the Mayor that is equal to or greater than the benefits provided by this Ordinance no later than September 1, 2020, with retroactive effect to March 18, 2020. Unless not allowed by applicable law, an intergovernmental agreement, or a contract, a sister agency that does not establish such a fund by June 1, 2020, shall have funding provided by the City of Chicago withheld until the sister agency establishes such fund.

SECTION 4. Following due passage and publication, this ordinance shall be in full force and effect retroactive to March 18, 2020.

CITY OF CHICAGO

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OFFICE OF THE CITY CLERK ANNA M. VALENCIA

Chicago City Council Co-Sponsor Form

Document No.:

Essential Municipal Employees' Death Benefit Fund

Adding Co-Sponsor(s)

Removing Co-Sponsor(s) Please REMOVE Co-Sponsor(s) Below - (Principal Sponsor's Consent NOT Recommended)

■ *(Principal Sponsor's Consent Required)*

.(LZZIward)

(Signature)

(I I Ward)

(Signature)

Date Filed:

Final Copies To Be Filed With: • Chairman of Committee to which legislation was referred
• City Clerk

121 NORTH LASALLE STREET, ROOM 107, CHICAGO, ILLINOIS 60602