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'Double Dipping' Pensions No Longer an Option for Illinois Police.

Legislation to prevent law enforcement officers from retiring, collecting a pension and then returning to active police duty to earn a second pension was signed into law Thursday by Gov. Bruce Rauner at the Naperville Municipal Center.

The measure, sponsored by state Rep. Grant Wehrli, R-Naperville, and state Sen. Michael Connelly, R-Lisle, stops the practice known as “double dipping.” It was triggered, in part, by Naperville Police Chief Robert Marshall, who retired after 28 years with the Naperville Police Department only to return seven years later as its top administrator.

“This bill stops the process of double dipping,” Wehrli said. “Up until this bill was signed, a police office could retire on a Friday, start a new job as a chief of police on a Monday, collect a pension and now start working on a second pension.”

Under the new rules, law enforcement retirees returning to active duty positions will have the option of enrolling in a 401(k)-style system instead of accruing a second pension through the police pension fund or the Illinois Municipal Retirement Fund.

The legislation received bi-partisan support from the General Assembly and begins to address Illinois’ mounting pension problems, Wehrli said.

“As those liabilities are growing, local units of government are seeing those dollars that should be allocated for other services going to fund pensions,” he said.

Rauner, speaking before signing the bill, said the new regulations represent a positive step toward pension reform. Beyond that, allowing law enforcement officials to collect more than one pension is not fair to retirees who are collecting just one, he said.

“It’s not fair to taxpayers and, in the long run, it deprives money from the pension system so it can stay sustainable (and) it takes money from other critical services in our communities,” Rauner said.

Wehrli said the new law could serve as an example for future pension legislation.

“Many are calling this model legislation on how we can address the problem going forward,” Wehrli said. “You can expect to see legislation filed applying to concepts for other business areas inside the public sector.”

Marshall will not be affected by the new law.

In 2005, Marshall retired from the police department. Shortly thereafter, he was hired as Naperville’s assistant city manager and in 2012 he became the city’s top cop. When he was hired as a city official, he started contributing to the Illinois Municipal Retirement Fund and continued to do so as police chief.

The Illinois Department of Insurance challenged the arrangement, saying Marshall should not receive his police pension in addition to his salary. The city's police pension board, however, vote 4-1 to allow him to continue receiving both payments.

The state took the case to DuPage County Circuit Court, where a judge ruled in 2014 that the police chief — despite wearing a badge and having the authority to make arrests — was not a police officer when it came to the pension system.

The state took the case to the Illinois 2nd District Appellate Court, but ultimately dropped the legal action.

According to city documents, Marshall now earns a \$168,786 salary. How much he collects in police pension payments or is contributing to the second pension fund was not available.

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