



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5650

by Rep. Delia C. Ramirez

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-131

from Ch. 108 1/2, par. 17-131

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that if employee contributions are picked up or made by the Employer or the Board of Trustees of the Fund (instead of the Board of Education) on behalf of its employees, then the amount of the employee contributions which are picked up or made in that manner shall not be deducted from the salaries of such employees.

LRB101 18557 RPS 68011 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 17-131 as follows:

6 (40 ILCS 5/17-131) (from Ch. 108 1/2, par. 17-131)
7 Sec. 17-131. Administration of payroll deductions.

8 (a) An Employer or the Board shall make pension deductions
9 in each pay period on the basis of the salary earned in that
10 period, exclusive of salaries for overtime, extracurricular
11 activities, or any employment on an optional basis, such as in
12 summer school.

13 (b) If a salary paid in a pay period includes adjustments
14 on account of errors or omissions in prior pay periods, then
15 salary amounts and related pension deductions shall be
16 separately identified as to the adjusted pay period and
17 deductions by the Employer or the Board shall be at rates in
18 force during the applicable adjusted pay period.

19 (c) If members earn salaries for the school year, as
20 established by an Employer, or if they earn annual salaries
21 over more than a 10-calendar month period, or if they earn
22 annual salaries over more than 170 calendar days, the required
23 contribution amount shall be deducted by the Employer in

1 installments on the basis of salary earned in each pay period.
2 The total amounts for each pay period shall be deducted
3 whenever salary payments represent a partial or whole day's
4 pay.

5 (d) If an Employer or the Board pays a salary to a member
6 for vacation periods, then the salary shall be considered part
7 of the member's pensionable salary, shall be subject to the
8 standard deductions for pension contributions, and shall be
9 considered to represent pay for the number of whole days of
10 vacation.

11 (e) If deductions from salaries result in amounts of less
12 than one cent, the fractional sums shall be increased to the
13 next higher cent. Any excess of these fractional increases over
14 the prescribed annual contributions shall be credited to the
15 members' accounts.

16 (f) In the event that, pursuant to Section 17-130.1,
17 employee contributions are picked up or made by the Employer or
18 the Board ~~of Education~~ on behalf of its employees, then the
19 amount of the employee contributions which are picked up or
20 made in that manner shall not be deducted from the salaries of
21 such employees.

22 (Source: P.A. 101-261, eff. 8-9-19.)