

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.)