



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB1261

by Rep. Joe Sosnowski

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-103.10

from Ch. 108 1/2, par. 14-103.10

Amends the State Employee Article of the Illinois Pension Code. Provides that, for service on or after July 1, 2013, "compensation" does not include any overtime pay payable to an employee for personal services performed in excess of the full normal working period for his or her position. Effective immediately.

LRB098 08103 EFG 38194 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 14-103.10 as follows:

6 (40 ILCS 5/14-103.10) (from Ch. 108 1/2, par. 14-103.10)  
7 Sec. 14-103.10. Compensation.

8 (a) For periods of service prior to January 1, 1978, the  
9 full rate of salary or wages payable to an employee for  
10 personal services performed if he worked the full normal  
11 working period for his position, subject to the following  
12 maximum amounts: (1) prior to July 1, 1951, \$400 per month or  
13 \$4,800 per year; (2) between July 1, 1951 and June 30, 1957  
14 inclusive, \$625 per month or \$7,500 per year; (3) beginning  
15 July 1, 1957, no limitation.

16 In the case of service of an employee in a position  
17 involving part-time employment, compensation shall be  
18 determined according to the employees' earnings record.

19 (b) For periods of service on and after January 1, 1978,  
20 all remuneration for personal services performed defined as  
21 "wages" under the Social Security Enabling Act, including that  
22 part of such remuneration which is in excess of any maximum  
23 limitation provided in such Act, and including any benefits

1 received by an employee under a sick pay plan in effect before  
2 January 1, 1981, but excluding lump sum salary payments:

- 3 (1) for vacation,
- 4 (2) for accumulated unused sick leave,
- 5 (3) upon discharge or dismissal,
- 6 (4) for approved holidays.

7 (c) For periods of service on or after December 16, 1978,  
8 compensation also includes any benefits, other than lump sum  
9 salary payments made at termination of employment, which an  
10 employee receives or is eligible to receive under a sick pay  
11 plan authorized by law.

12 (d) For periods of service after September 30, 1985,  
13 compensation also includes any remuneration for personal  
14 services not included as "wages" under the Social Security  
15 Enabling Act, which is deducted for purposes of participation  
16 in a program established pursuant to Section 125 of the  
17 Internal Revenue Code or its successor laws.

18 (e) For members for which Section 1-160 applies for periods  
19 of service on and after January 1, 2011, all remuneration for  
20 personal services performed defined as "wages" under the Social  
21 Security Enabling Act, excluding remuneration that is in excess  
22 of the annual earnings, salary, or wages of a member or  
23 participant, as provided in subsection (b-5) of Section 1-160,  
24 but including any benefits received by an employee under a sick  
25 pay plan in effect before January 1, 1981. Compensation shall  
26 exclude lump sum salary payments:

- 1 (1) for vacation;
- 2 (2) for accumulated unused sick leave;
- 3 (3) upon discharge or dismissal; and
- 4 (4) for approved holidays.

5 (f) Notwithstanding the other provisions of this Section,  
6 for service on or after July 1, 2013, "compensation" does not  
7 include any overtime pay payable to an employee for personal  
8 services performed in excess of the full normal working period  
9 for his or her position.

10 (Source: P.A. 96-1490, eff. 1-1-11.)

11 Section 99. Effective date. This Act takes effect upon  
12 becoming law.