

HB4591



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB4591

by Rep. Daniel J. Burke

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-132

from Ch. 108 1/2, par. 17-132

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that, in addition to certain listed items, reported payroll data must include any and all other data necessary for the Fund to calculate pension benefits. Provides that any necessary amendments or corrections to certified data provided by the employer must be made within one year after the certified data is received by the Fund. Effective immediately.

LRB099 17091 EFG 41449 b

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

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 17-132 as follows:

6 (40 ILCS 5/17-132) (from Ch. 108 1/2, par. 17-132)

7 Sec. 17-132. Payments and certification of salary
8 deductions.

9 (a) An Employer shall cause the Fund to receive all
10 members' payroll records and pension contributions within 30
11 calendar days after each predesignated payday. For purposes of
12 this Section, the predesignated payday shall be determined in
13 accordance with each Employer's payroll schedule for
14 contributions to the Fund.

15 (b) An Employer that fails to timely certify and submit
16 payroll records to the Fund is subject to a statutory penalty
17 in the amount of \$100 per day for each day that a required
18 certification and submission is late.

19 Amounts not received by the 30th calendar day after the
20 predesignated payday shall be deemed delinquent and subject to
21 a penalty consisting of interest, which shall accrue on a
22 monthly basis at the Fund's then effective actuarial rate of
23 return, and liquidated damages in the amount of \$100 per day,

1 not to exceed 20% of the principal contributions due, which
2 shall be mandatory except for good cause shown and in the
3 discretion of the Board.

4 An Employer in possession of member contributions deducted
5 from payroll checks is holding Fund assets, and thus becomes a
6 fiduciary over those assets.

7 (c) The payroll records shall report (1) all pensionable
8 salary earned in that pay period, exclusive of salaries for
9 overtime, special services, or any employment on an optional
10 basis, such as in summer school; (2) adjustments to pensionable
11 salary, exclusive of salaries for overtime, special services,
12 or any employment on an optional basis, such as in summer
13 school, made in a pay period for any prior pay periods; (3)
14 pension contributions attributable to pensionable salary
15 earned in the reported pay period or the adjusted pay period as
16 required by subsection (b) of Section 17-131; ~~and~~ (4) any
17 salary paid by an Employer if that salary is compensation for
18 validated service and is exclusive of salary for overtime,
19 special services, or any employment on an optional basis, such
20 as in summer school; and (5) any and all other data necessary
21 for the Fund to calculate pension benefits. Payroll records
22 required by item (4) of this paragraph shall identify the
23 number of days of service rendered by the member and whether
24 each day of service represents a partial or whole day of
25 service.

26 Any necessary amendments or corrections to certified data

1 provided by the employer must be made within one year after the
2 certified data is received by the Fund.

3 (d) The appropriate officers of the Employer shall certify
4 and submit the payroll records no later than 30 calendar days
5 after each predesignated payday. The certification shall
6 constitute a confirmation of the accuracy of such deductions
7 according to the provisions of this Article.

8 Each Charter School shall designate an administrator as a
9 "Pension Officer". The Pension Officer shall be responsible for
10 certifying all payroll information, including contributions
11 due and certified sick days payable pursuant to Section 17-134,
12 and assuring resolution of reported payroll and contribution
13 deficiencies.

14 (e) The Board has the authority to conduct payroll audits
15 of a charter school to determine the existence of any
16 delinquencies in contributions to the Fund, and such charter
17 school shall be required to provide such books and records and
18 contribution information as the Board or its authorized
19 representative may require. The Board is also authorized to
20 collect delinquent contributions from charter schools and
21 develop procedures for the collection of such delinquencies.
22 Collection procedures may include legal proceedings in the
23 courts of the State of Illinois. Expenses, including reasonable
24 attorneys' fees, incurred in the collection of delinquent
25 contributions may be assessed by the Board against the charter
26 school.

1 (Source: P.A. 98-427, eff. 8-16-13; 99-176, eff. 7-29-15.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.