



Sen. Iris Y. Martinez

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10000SB1570sam001

LRB100 06322 RPS 22832 a

1 AMENDMENT TO SENATE BILL 1570

2 AMENDMENT NO. _____. Amend Senate Bill 1570 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing 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

1 in the amount of \$100 per day for each day that a required
2 certification and submission is late. The Fund shall provide a
3 written notice of delinquency to an Employer 10 calendar days
4 before the 30 calendar days of subsection (a) of this Section.
5 If the Fund fails to provide an Employer with a written notice
6 of delinquency 10 calendar days before the 30 calendar days of
7 subsection (a) of this Section, the Fund is prohibited from
8 administering any penalty to the Employer for such submission
9 until the Fund provides a 10 calendar day notice to the
10 Employer.

11 An Employer assessed a penalty may provide the Board a
12 Request for a Waiver of the penalty for good cause shown within
13 30 days from the date of issuance of an invoice for such
14 penalty. The invoice will be deemed delinquent if unpaid 30
15 days from the date of issuance, unless the Board notifies the
16 Employer of acceptance of the Employer's Request for a Waiver
17 of the penalty and such penalty is waived by the Board.

18 Amounts not received by the 30th calendar day after the
19 predesignated payday shall be deemed delinquent and subject to
20 a penalty consisting of interest, which shall accrue on a
21 monthly basis at the Fund's then effective actuarial rate of
22 return, and liquidated damages in the amount of \$100 per day,
23 not to exceed 20% of the principal contributions due, which
24 shall be mandatory except for good cause shown and in the
25 discretion of the Board. The Fund shall provide an Employer
26 with written notice of delinquency 10 calendar days before the

1 30th calendar day after the predesignated payday. If the Fund
2 fails to provide an Employer with written notice of delinquency
3 10 calendar days before the 30th calendar day after the
4 predesignated payday, the Fund is prohibited from
5 administering any penalty to the Employer for that delinquent
6 amount until the Fund provides a 10 calendar day notice to the
7 Employer.

8 An Employer assessed a penalty may provide the Board a
9 Request for a Waiver of the penalty for good cause shown within
10 30 days from the date of issuance of an invoice for such
11 penalty. The invoice will be deemed delinquent if unpaid 30
12 days from the date of issuance, unless the Board notifies the
13 Employer of acceptance of the Employer's Request for a Waiver
14 of the penalty and such penalty is waived by the Board.

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

18 (c) The payroll records shall report (1) all pensionable
19 salary earned in that pay period, exclusive of salaries for
20 overtime, special services, or any employment on an optional
21 basis, such as in summer school; (2) adjustments to pensionable
22 salary, exclusive of salaries for overtime, special services,
23 or any employment on an optional basis, such as in summer
24 school, made in a pay period for any prior pay periods; (3)
25 pension contributions attributable to pensionable salary
26 earned in the reported pay period or the adjusted pay period as

1 required by subsection (b) of Section 17-131; ~~and~~ (4) any
2 salary paid by an Employer if that salary is compensation for
3 validated service and is exclusive of salary for overtime,
4 special services, or any employment on an optional basis, such
5 as in summer school; and (5) any and all other data necessary
6 for the Fund to calculate pension benefits. Payroll records
7 required by item (4) of this paragraph shall identify the
8 number of days of service rendered by the member and whether
9 each day of service represents a partial or whole day of
10 service.

11 Any proposed amendments or corrections to certified data
12 submitted by an Employer must be made no later than 12 months
13 after the Employer originally submitted the data being amended
14 or corrected or such proposed amended or corrected data may be
15 rejected by the Fund; provided, however, that this limitation
16 does not apply to amendments or corrections to certified data:
17 (i) required by a final and non-appealable order of a court of
18 competent jurisdiction or as determined in a non-appealable and
19 final decision of an administrative agency with competent
20 jurisdiction, or (ii) deemed valid by the Fund and as provided
21 in a legally enforceable settlement agreement between a member
22 or former member and an Employer.

23 (d) The appropriate officers of the Employer shall certify
24 and submit the payroll records no later than 30 calendar days
25 after each predesignated payday. The certification shall
26 constitute a confirmation of the accuracy of such deductions

1 according to the provisions of this Article.

2 Each Charter School shall designate an administrator as a
3 "Pension Officer". The Pension Officer shall be responsible for
4 certifying all payroll information, including contributions
5 due and certified sick days payable pursuant to Section 17-134,
6 and assuring resolution of reported payroll and contribution
7 deficiencies.

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

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

22 Section 99. Effective date. This Act takes effect upon
23 becoming law."