

AN ACT concerning public employee benefits.

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

Section 5. The Illinois Pension Code is amended by changing Section 15-186.1 as follows:

(40 ILCS 5/15-186.1) (from Ch. 108 1/2, par. 15-186.1)

Sec. 15-186.1. Mistake in benefit calculation and overpayment recovery.

(a) Mistake in benefit calculation. If the System mistakenly sets any benefit at an incorrect amount, it shall recalculate the benefit as soon as may be practicable after the mistake is discovered. If the benefit was mistakenly set too low, the System shall make a lump sum payment to the recipient of an amount equal to the difference between the benefits that should have been paid and those actually paid, plus interest at the effective rate from the date the unpaid amounts accrued to the date of payment.

If the benefit was mistakenly set too high, the System may recover the amount overpaid from the recipient thereof, plus interest at the effective rate from the date of overpayment to the date of recovery, either directly or by deducting such amount from the remaining benefits payable to the recipient. However, if (1) the amount of the benefit was mistakenly set

too high, and (2) the error was undiscovered for 3 years or longer, and (3) the error was not the result of incorrect information supplied or information omitted by the affected member or beneficiary, then upon discovery of the mistake the benefit shall be adjusted to the correct level, but the recipient of the benefit need not repay to the System the excess amounts received in error.

(b) Overpayment recovery. Regardless of the date an overpayment is discovered, if the System determines that the overpayment has occurred for any reason other than those specified in subsection (a) of this Section, the System may recover the overpayment from the recipient thereof or the recipient's estate, plus interest at the effective rate from the date of the overpayment to the date of recovery, either directly or by deducting such amount from the remaining benefits payable to the recipient or the recipient's estate, or by any other means available to the System. This subsection (b) applies to overpayments occurring before, on, or after the effective date of this amendatory Act of the 102nd General Assembly.

(Source: P.A. 93-347, eff. 7-24-03.)

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