



- The Illinois Principals Association;
- The Illinois Association of School Business Officials;
- The Illinois Special Olympics; or
- An entity not defined as an employer

However, if an individual who is employed by such entity listed above is already participating in the System with respect to that employment on the effective date of this bill, he or she shall be allowed to continue participating in the System for the duration of that employment. The Board of SURS should declare rules to determine who is deemed an employee, and make a final decision in the case of doubt regarding this matter.

#### Basic Compensation and Earnings

Housing allowances, vehicle allowances, social club dues, or athletic club dues which are currently included in basic compensation and earnings shall not be included in basic compensation and earnings for an employee who first becomes a participant on or after the effective date of this bill.

#### Furloughs and Voluntary Reduced Pay

A participant may be eligible to earn service credit for periods of taking voluntary or involuntary furloughs or deciding to receive voluntarily-reduced-pay in lieu of furloughs from July 1, 2015 to June 30, 2017. In order to receive this credit, the participant should 1) write to SURS to apply before December 31, 2018, 2) not receive any compensation during such furloughs period (only applicable to a case of taking furloughs), and 3) make, on after-tax basis, the required employee contributions during such period, plus an amount, determined by the board of SURS, equal to the employer's normal cost of the benefit as well as compounded interest at the actuarially assumed rate from the starting date of such periods to the date of the payment. Earnings that would have been paid to the participant if the participant had not taken furloughs or voluntary pay cut should be reported to SURS by an employer.

#### The Self-Managed Plan (SMP)

In a case where a participant fails to make his or her investment decisions offered by SURS at his or her initial retirement selection, the participant's employer and employee contributions are required to invest in a default investment fund. However, the participant can transfer his or her account balances out of a default investment fund during time periods designated by SURS.

#### To Require Information and Audit Employers

SURS can request information necessary for the proper operating of the system from any participant or beneficiary or annuitant or any current or former employer of a participant or annuitant.

- If an employer does not respond within the 90 calendar days of the System's request, beginning on the 91st calendar day a penalty of \$250 per calendar day would be charged until the System receives such information, with a maximum penalty of \$25,000.

- In case that a participant, beneficiary, or annuitant fails to provide information that the System requests within 90 calendar days, the System may immediately cease processing the benefit and may not pay any additional benefit payment to the participant, beneficiary, or annuitant until the requested information is provided.

When SURS requests information to audit an employer, the employer should respond within the 60 calendar days of the System's request. Otherwise, beginning on the 61st calendar day, there will be a penalty of \$250 per calendar day until SURS receives the information, with a maximum penalty of \$25,000.

JB: bj

LRB099 13062 RPS 49165 a