

1 AN ACT concerning health care assistance.

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

4 Section 1. Short title. This Act may be cited as the
5 Secured Health Care Assistance Retiree Exemption (SHARE) Act.

6 Section 5. Definitions. As used in this Act, unless the
7 context clearly indicates otherwise:

8 "Board" means the Secured Health Care Assistance Retiree
9 Board.

10 "Department" means the Department of Labor.

11 "Eligible retirees" means any resident of this State who
12 is a retiree of a company that paid health care benefits that
13 were established by contract or by a collective bargaining
14 agreement and that have expired due to the bankruptcy of the
15 company. The term shall also include the surviving spouse or
16 dependents of any eligible retiree.

17 "Fund" means the Secured Health Care Assistance Retiree
18 Trust Fund.

19 "Medicare" means the Federal program established under
20 Title XVIII of the Social Security Act.

21 "Program" means the Secured Health Care Assistance
22 Retiree Program established under Section 20.

23 Section 10. Secured Health Care Assistance Retiree
24 Board.

25 (a) There is hereby established the Secured Health Care
26 Assistance Retiree Board as a Board under the Department.

27 (b) The Board shall consist of 9 members appointed by
28 the Governor, at least 3 of whom are representatives of
29 organized labor, including one representing steelworkers.

30 (c) Members of the Board shall receive no compensation

1 for their services but shall be reimbursed for their
2 necessary expenses incurred while serving as Board members.

3 (d) A vacancy on the Board shall be filled by the
4 Governor for the balance of the term.

5 (e) Members of the Board shall serve terms of 4 years
6 and until a successor is appointed and qualified. Members may
7 serve only 2 consecutive full terms. Any member of the Board
8 may be removed by the Governor or by a majority of the other
9 Board members for malfeasance in office, failure to attend
10 regularly scheduled meetings, or any cause that renders the
11 member incapable of or unfit to discharge his or her duties.

12 (f) Meetings of the Board shall be subject to the Open
13 Meetings Act. A quorum for a meeting shall be a majority of
14 the total membership of the Board. Any action of the Board
15 requires the affirmative vote of a majority of a quorum.

16 Section 15. Powers and duties of the Board. The Board
17 shall have the duty and the power to (i) implement a health
18 care benefits program pursuant to Section 20; and (ii)
19 administer the Fund established under Section 25.

20 Section 20. Secured Health Care Assistance Retiree
21 Program.

22 (a) The Board shall implement the Secured Health Care
23 Assistance Retiree Program to provide group health plans for
24 eligible retirees.

25 (b) The Board shall model the structure of the program
26 on the structure of the Children's Health Insurance Program
27 under the Children's Health Insurance Program Act. The Board
28 shall structure the program so that it includes the following
29 provisions:

30 (1) Eligible retirees who are eligible to receive
31 Medicare shall enroll or continue to be enrolled in a
32 Medicare program. The program shall provide for the

1 enrollment of the eligible retirees who are eligible to
2 receive Medicare in a commercially available Medicare
3 supplement plan. Additionally, the program shall provide
4 for the enrollment of eligible retirees who are eligible
5 to receive Medicare in a commercially available
6 prescription drug coverage plan to provide for
7 prescription drugs not covered under the Senior Citizens
8 and Disabled Persons Property Tax Relief and
9 Pharmaceutical Assistance Act, the SeniorRx Care program
10 established under Section 5-5.12a of the Illinois Public
11 Aid Code, or any other similar program. The Board shall
12 set the amount of monthly premiums to be paid by eligible
13 retirees who are eligible to receive Medicare and the
14 amount of copayment required for prescription drugs.

15 (2) Eligible retirees who are not eligible for
16 Medicare shall be provided enrollment in a commercially
17 available health care plan that offers a comprehensive
18 benefit package and a commercially available prescription
19 drug coverage plan with coverages and benefits similar to
20 those they had or did receive from their prior employer.
21 The Board shall set the amount of monthly premiums to be
22 paid by eligible retirees who are not eligible for
23 Medicare and the amount of copayment required for
24 prescription drugs. Any eligible retiree under this item
25 (2) who subsequently becomes eligible for Medicare shall
26 be required to meet the requirements of item (1) of this
27 subsection (b) and any other requirements set by the
28 Board.

29 (3) The Board shall make every effort to ensure
30 that administration costs are kept at a minimum.

31 (4) The Board shall make every effort to ensure
32 that all applicable insurance companies and other
33 entities participate in the program.

34 (c) If the federal government enacts a program providing

1 benefits comparable to those contained in this Act as
2 determined by the Board, then the program established by this
3 Act shall be discontinued.

4 (d) If the federal government enacts a program that the
5 Board determines not to be comparable to the program
6 established by this Act, the Board shall have the power to
7 provide additional group health plan coverage and benefits
8 that supplement that program.

9 Section 25. Secured Health Care Assistance Retiree Trust
10 Fund.

11 (a) The Secured Health Care Assistance Retiree Trust
12 Fund is created a special fund in the State Treasury. All
13 interest earned from the investment or deposit of moneys
14 accumulated in the Fund shall be deposited in the Fund for
15 the same use.

16 (b) All moneys deposited into the Fund shall be used,
17 subject to appropriation, only to effectuate the purposes of
18 this Act as determined by the Board.

19 (c) The proceeds realized from the sale of bonds under
20 Section 7.7 of the General Obligation Bond Act shall be paid
21 into the Fund and are specifically dedicated to the purpose
22 of this Act.

23 Section 905. The State Finance Act is amended by adding
24 Section 5.595 as follows:

25 (30 ILCS 105/5.595 new)

26 Sec. 5.595. The Secured Health Care Assistance Retiree
27 Trust Fund.

28 Section 910. The General Obligation Bond Act is amended
29 by changing Section 2 and adding Section 7.7 as follows:

(30 ILCS 330/2) (from Ch. 127, par. 652)

Sec. 2. Authorization for Bonds. The State of Illinois is authorized to issue, sell and provide for the retirement of General Obligation Bonds of the State of Illinois for the categories and specific purposes expressed in Sections 2 through 8 of this Act, in the total amount of \$17,883,149,369 ~~\$17,658,149,369~~ ~~\$16,908,149,369~~ ~~\$16,015,007,500~~.

The bonds authorized in this Section 2 and in Section 16 of this Act are herein called "Bonds".

Of the total amount of Bonds authorized in this Act, up to \$2,200,000,000 in aggregate original principal amount may be issued and sold in accordance with the Baccalaureate Savings Act in the form of General Obligation College Savings Bonds.

Of the total amount of Bonds authorized in this Act, up to \$300,000,000 in aggregate original principal amount may be issued and sold in accordance with the Retirement Savings Act in the form of General Obligation Retirement Savings Bonds.

The issuance and sale of Bonds pursuant to the General Obligation Bond Act is an economical and efficient method of financing the capital and general operating needs of the State. This Act will permit the issuance of a multi-purpose General Obligation Bond with uniform terms and features. This will not only lower the cost of registration but also reduce the overall cost of issuing debt by improving the marketability of Illinois General Obligation Bonds.

(Source: P.A. 91-39, eff. 6-15-99; 91-53, eff. 6-30-99; 91-710, eff. 5-17-00; 92-13, eff. 6-22-01; 92-596, eff. 6-28-02; 92-598, eff. 6-28-02; revised 10-8-02.)

(30 ILCS 330/7.7 new)

Sec. 7.7. Retiree healthcare assistance. The amount of \$225,000,000 is authorized to be used to fund the Secured Health Care Assistance Retiree Trust Fund, which Fund shall

1 be used as provided in the Secured Health Care Assistance
2 Retiree Exemption (SHARE) Act.

3 Retiree healthcare assistance bonds issued under this Act
4 and the income derived therefrom are free from all taxation
5 by the State or its political subdivisions, except for
6 estate, transfer, and inheritance taxes. For purposes of
7 Section 250 of the Illinois Income Tax Act, the exemption of
8 the income from retiree healthcare assistance bonds issued
9 under this Act shall terminate after all of the bonds have
10 been paid. The amount of income that shall be added and then
11 subtracted on the Illinois income tax return of a taxpayer,
12 pursuant to Section 203 of the Illinois Income Tax Act, from
13 federal adjusted gross income or federal taxable income in
14 computing Illinois base income shall be the interest net of
15 any bond premium amortization.