



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

HB7000

Introduced 2/9/2004, by Robert S. Molaro

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-142.1
30 ILCS 805/8.28 new

from Ch. 108 1/2, par. 17-142.1

Amends the Chicago Teacher Article of the Illinois Pension Code to change the annual limit on the amount of reimbursement to annuitants for health insurance costs, from \$40,000,000 plus authorized but unpaid amounts to \$65,000,000 plus authorized but unpaid amounts, including interest earned thereon. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB093 14686 LRD 40228 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT in relation to 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 17-142.1 as follows:

6 (40 ILCS 5/17-142.1) (from Ch. 108 1/2, par. 17-142.1)

7 Sec. 17-142.1. To defray health insurance costs. To provide
8 for the partial reimbursement of health insurance costs.

9 (1) On the first day of September of each year, beginning
10 in 1988, the Board may, by separate warrant, pay to each
11 recipient of a service retirement, disability retirement or
12 survivor's pension an amount to be determined by the Board,
13 which shall represent partial reimbursement for the cost of the
14 recipient's health insurance coverage.

15 (2) In lieu of the annual payment authorized in subdivision
16 (1), for pensioners enrolled in the Fund's regular health care
17 deduction plans, the Fund may pay the health insurance premium
18 reimbursement on a monthly rather than annual basis, at the
19 percentage rate established from time to time by the Board. If
20 the Board so directs, these monthly payments may be made in the
21 form of a direct payment of premium and a reduction in the
22 amount deducted from the annuity, rather than in the form of
23 reimbursement by separate warrant.

24 (3) Total payments under this Section in any year may not
25 exceed \$65,000,000 ~~\$40,000,000~~ plus any amount that was
26 authorized to be paid under this Section in the preceding year
27 but was not actually paid by the Board, including any interest
28 earned thereon.

29 (Source: P.A. 90-566, eff. 1-2-98; 91-852, eff. 6-22-00.)

30 Section 90. The State Mandates Act is amended by adding
31 Section 8.28 as follows:

1 (30 ILCS 805/8.28 new)

2 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and
3 8 of this Act, no reimbursement by the State is required for
4 the implementation of any mandate created by this amendatory
5 Act of the 93rd General Assembly.

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