

1 AN ACT concerning government.

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

4 Section 5. The Intergovernmental Cooperation Act is
5 amended by changing Section 6 as follows:

6 (5 ILCS 220/6) (from Ch. 127, par. 746)

7 Sec. 6. Joint self-insurance. An intergovernmental
8 contract may, among other undertakings, authorize public
9 agencies to jointly self-insure and authorize each public
10 agency member of the contract to utilize its funds to pay to a
11 joint insurance pool its costs and reserves to protect, wholly
12 or partially, itself or any public agency member of the
13 contract against liability or loss in the designated insurable
14 area. A joint insurance pool shall have an annual audit
15 performed by an independent certified public accountant and
16 shall file an annual audited financial report with the Director
17 of Insurance no later than 150 days after the end of the pool's
18 immediately preceding fiscal year. The Director of Insurance
19 shall issue rules necessary to implement this audit and report
20 requirement. The rule shall establish the due date for filing
21 the initial annual audited financial report. Within 30 days
22 after January 1, 1991, and within 30 days after each January 1
23 thereafter, public agencies that are jointly self-insured to
24 protect against liability under the Workers' Compensation Act
25 and the Workers' Occupational Diseases Act shall file with the
26 Illinois Workers' Compensation Commission a report indicating
27 an election to self-insure.

28 For purposes of this Section, "public agency member" means
29 any public agency defined or created under this Act, any local
30 public entity as defined in Section 1-206 of the Local
31 Governmental and Governmental Employees Tort Immunity Act, and
32 any public agency, authority, instrumentality, council, board,

1 service region, district, unit, bureau, or, commission, or any
2 municipal corporation, college, or university, whether
3 corporate or otherwise, and any other local governmental body
4 or similar entity that is presently existing or created after
5 the effective date of this amendatory Act of the 92nd General
6 Assembly, whether or not specified in this Section. Only public
7 agency members with tax receipts, tax revenues, taxing
8 authority, or other resources sufficient to pay costs and to
9 service debt related to intergovernmental activities described
10 in this Section, or public agency members created by or as part
11 of a public agency with these powers, may enter into contracts
12 or otherwise associate among themselves as permitted in this
13 Section.

14 No joint insurance pool or other intergovernmental
15 cooperative offering health insurance shall interfere with the
16 statutory obligation of any public agency member to bargain
17 over or to reach agreement with a labor organization over a
18 mandatory subject of collective bargaining as those terms are
19 used in the Illinois Public Labor Relations Act. No
20 intergovernmental contract of insurance offering health
21 insurance shall limit the rights or obligations of public
22 agency members to engage in collective bargaining, and it shall
23 be unlawful for a joint insurance pool or other
24 intergovernmental cooperative offering health insurance to
25 discriminate against public agency members or otherwise
26 retaliate against such members for limiting their
27 participation in a joint insurance pool as a result of a
28 collective bargaining agreement.

29 It shall not be considered a violation of this Section for
30 an intergovernmental contract of insurance relating to health
31 insurance coverage, life insurance coverage, or both to permit
32 the pool or cooperative, if a member withdraws employees or
33 officers into a union-sponsored program, to re-price the costs
34 of benefits provided to the continuing employees or officers
35 based upon the same underwriting criteria used by that pool or
36 cooperative in the normal course of its business, but no member

1 shall be expelled from a pool or cooperative if the continuing
2 employees or officers meet the general criteria required of
3 other members.

4 (Source: P.A. 92-530, eff. 2-8-02; 93-721, eff. 1-1-05.)

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