



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB0866

Introduced 2/7/2007, by Rep. Robert S. Molaro

SYNOPSIS AS INTRODUCED:

70 ILCS 2605/9.6d new

Amends the Metropolitan Water Reclamation District Act. Provides that the District may establish one or more post employment benefit trusts for the funding and payment of certain benefits for retired, disabled, or terminated employees. Effective immediately.

LRB095 08924 HLH 29113 b

1 AN ACT concerning local government.

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

4 Section 5. The Metropolitan Water Reclamation District Act
5 is amended by adding Section 9.6d as follows:

6 (70 ILCS 2605/9.6d new)

7 Sec. 9.6d. Other Post Employment Benefit Trusts. The Board
8 of Commissioners (the Board) may establish one or more trusts
9 (Other Post Employment Benefit ("OPEB") Trusts) for the purpose
10 of providing for the funding and payment of health and other
11 fringe benefits for retired, disabled, or terminated employees
12 of the District or for their dependents and beneficiaries.
13 Trusts created under this Section are in addition to pension
14 benefits for those persons which are currently funded pursuant
15 to Article 13 of the Illinois Pension Code. The OPEB trusts may
16 employ such personnel and enter into such investment, advisory,
17 or professional services or similar contracts as deemed
18 appropriate by the trustees and recommended by the Treasurer of
19 the Metropolitan Water Reclamation District of Greater Chicago
20 (the District). The OPEB trusts may be established in such
21 manner so as to be exempt from taxation under the provisions of
22 applicable federal and State tax laws. The trustee of the OPEB
23 trusts shall be the District. The Treasurer of the District and

1 the trustee shall be indemnified by the District to the fullest
2 extent permitted by law for their actions taken with respect to
3 the OPEB Trust. The Board may deposit money with the OPEB
4 trusts derived from the funds of the District from time to time
5 as such money may in the discretion of the Board be
6 appropriated for that purpose; and, in addition, the Board may
7 lawfully agree with the OPEB Trusts to a binding level of
8 funding for periods of time not to exceed 5 fiscal years. In
9 addition, the OPEB Trust documents may permit employees of the
10 District to contribute money to provide for such benefits. To
11 the extent participants do not direct the investment of their
12 own account, the assets of the OPEB trusts shall be managed by
13 the Treasurer of the District in any manner, subject only to
14 the prudent investor standard and any requirements of
15 applicable federal law. The limitations of any other statute
16 affecting the investment of District funds shall not apply to
17 the OPEB Trusts. Funds of the OPEB trusts may be used to pay
18 for costs of administering the OPEB trusts and for the benefits
19 for which such trusts have been established in accordance with
20 the terms of the OPEB trust documents.

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