

1 AN ACT concerning employment benefits.

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 Illinois Fringe Benefit Portability and Continuity Act.

6 Section 5. Public policy. It is the purpose of this Act
7 that temporary or short-term employees employed by the State of
8 Illinois and its political subdivisions or other public
9 employers shall have continuity of health and welfare
10 insurance, pension, and other fringe benefits for work
11 performed for the State of Illinois, its political
12 subdivisions, and other public employers, and that the State of
13 Illinois and its political subdivisions and other public
14 employers shall have the contractual authority to execute
15 written agreements with employee benefit plans and labor
16 organizations to ensure that temporary and short-term
17 employees have continuity of health and welfare insurance,
18 pension, and other fringe benefits for work performed for the
19 State of Illinois and its political subdivisions or other
20 public employers.

21 Section 10. Application. This Act applies to the State of
22 Illinois and its political subdivisions and other public

1 employers that employ temporary or short-term employees who are
2 not covered by an employment contract or collective bargaining
3 agreement but who are referred from labor organizations and are
4 receiving a fringe benefit allowance directly and in the form
5 of wages from the State of Illinois and its political
6 subdivisions and other public employers.

7 Section 15. Definitions. As used in this Act, unless the
8 context otherwise requires:

9 "Employee benefit plan" shall mean an employee benefit plan
10 as defined under the Employee Retirement Income Security Act,
11 29 U.S.C. 1001, et seq.

12 "Temporary or short-term employee" shall mean an employee
13 who is not covered by a collective bargaining agreement or an
14 employment contract.

15 "Written agreement" shall mean a participation agreement
16 or other agreement prescribed by the employee benefit plan or
17 labor organization but shall not be construed as a collective
18 bargaining agreement, except as permitted under the Illinois
19 Public Labor Relations Act.

20 Section 20. Fringe benefit portability and continuity.

21 (a) If the State of Illinois, its political subdivisions, or
22 other public employers procure short-term or temporary
23 employees from a labor organization, then the State of
24 Illinois, its political subdivisions, or other public

1 employers shall enter into written agreements with employee
2 benefit plans and labor organizations providing that the State
3 of Illinois, its political subdivisions, or other public
4 employers shall make an employer contribution of the benefit
5 allowance of the applicable wage package to the applicable
6 employee benefit plans for the temporary or short-term
7 employees who are referred from labor organizations, provided
8 that:

9 (1) The employee benefit plans are employee pension
10 benefit plans or employee welfare benefit plans under the
11 Employee Retirement Income Security Act.

12 (2) The referred employee, as a condition of referral
13 to the State of Illinois and its political subdivisions or
14 other public employers as a temporary or short-term
15 employee, has entered into an agreement or authorization
16 with a labor organization to have the fringe benefit
17 allowance of the applicable wage rate remitted directly to
18 an employee benefit plan.

19 (3) The fringe benefit allowance of the applicable wage
20 package shall be an employer contribution and not an
21 employee wage deduction.

22 (4) The State of Illinois and its political
23 subdivisions and other public employers agree, in writing,
24 to make contributions subject to the same rules and
25 policies generally applicable to private employers who are
26 making contributions to that employee benefit plan.

1 (b) The written agreement specified in subsection (a) shall
2 not be construed as a collective bargaining agreement, contract
3 for employment, or an agreement that otherwise guarantees the
4 employment of the temporary or short-term employees used by the
5 State of Illinois and its political subdivisions and other
6 public employers. Nothing in this Act shall be construed to
7 afford temporary or short-term employees the right to organize
8 or collectively bargain pursuant to the Illinois Public Labor
9 Relations Act, except as specifically provided by the
10 provisions of that Act. Nothing in this Act shall be construed
11 to afford temporary or short-term employees any benefit or the
12 right to participate in any retirement system of the State of
13 Illinois, except as specifically provided by the provisions of
14 the Illinois Pension Code.

15 Section 25. Construction of Act. This Act shall be
16 liberally construed to effect the purposes of the Act. By
17 virtue of this Act, the State of Illinois and its political
18 subdivisions or other public employers shall not be considered
19 to be maintaining or administering an employee benefit plan.

20 Section 97. Severability. The provisions of this Act are
21 severable under Section 1.31 of the Statute on Statutes.

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