

SB3598



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3598

Introduced 2/10/2012, by Sen. Iris Y. Martinez

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-142.1
30 ILCS 805/8.36 new

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

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that beginning in fiscal year 2013, the \$65,000,000 base limitation on total payments for health insurance shall increase annually by the unadjusted percentage increase (but not less than zero) of the weighted average of medical care services and medical care commodities in the consumer price index-u for the 12 months ending March 1 of the previous fiscal year. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB097 19202 EFG 64444 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning 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.

1 (3) Total payments under this Section in any year may not
2 exceed the base limitation amount determined annually under
3 subsection (3.1), \$65,000,000 plus any amount that was
4 authorized to be paid under this Section in the preceding year
5 but was not actually paid by the Board, including any interest
6 earned thereon.

7 (3.1) In fiscal year 2012, the base limitation amount is
8 \$65,000,000. Beginning in fiscal year 2013, the base limitation
9 amount shall increase annually by the unadjusted percentage
10 increase (but not less than zero) of the weighted average of
11 medical care services and medical care commodities in the
12 consumer price index-u for the 12 months ending March 1 of the
13 previous fiscal year.

14 (4) The total amount of payments under this Section in any
15 year may not exceed 75% of the total cost of health insurance
16 coverage in that year for all the recipients who receive
17 payments authorized by this Section in that year.

18 (Source: P.A. 93-677, eff. 6-28-04.)

19 Section 90. The State Mandates Act is amended by adding
20 Section 8.36 as follows:

21 (30 ILCS 805/8.36 new)

22 Sec. 8.36. Exempt mandate. Notwithstanding Sections 6 and 8
23 of this Act, no reimbursement by the State is required for the
24 implementation of any mandate created by this amendatory Act of

1 the 97th General Assembly.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.