

1 AN ACT in relation to group insurance.

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

4 Section 5. The State Employees Group Insurance Act of
5 1971 is amended by changing Sections 3, 6.9, and 6.10 as
6 follows:

7 (5 ILCS 375/3) (from Ch. 127, par. 523)

8 Sec. 3. Definitions. Unless the context otherwise
9 requires, the following words and phrases as used in this Act
10 shall have the following meanings. The Department may define
11 these and other words and phrases separately for the purpose
12 of implementing specific programs providing benefits under
13 this Act.

14 (a) "Administrative service organization" means any
15 person, firm or corporation experienced in the handling of
16 claims which is fully qualified, financially sound and
17 capable of meeting the service requirements of a contract of
18 administration executed with the Department.

19 (b) "Annuitant" means (1) an employee who retires, or
20 has retired, on or after January 1, 1966 on an immediate
21 annuity under the provisions of Articles 2, 14, 15 (including
22 an employee who has retired under the optional retirement
23 program established under Section 15-158.2), paragraphs (2),
24 (3), or (5) of Section 16-106, or Article 18 of the Illinois
25 Pension Code; (2) any person who was receiving group
26 insurance coverage under this Act as of March 31, 1978 by
27 reason of his status as an annuitant, even though the annuity
28 in relation to which such coverage was provided is a
29 proportional annuity based on less than the minimum period of
30 service required for a retirement annuity in the system
31 involved; (3) any person not otherwise covered by this Act

1 who has retired as a participating member under Article 2 of
2 the Illinois Pension Code but is ineligible for the
3 retirement annuity under Section 2-119 of the Illinois
4 Pension Code; (4) the spouse of any person who is receiving a
5 retirement annuity under Article 18 of the Illinois Pension
6 Code and who is covered under a group health insurance
7 program sponsored by a governmental employer other than the
8 State of Illinois and who has irrevocably elected to waive
9 his or her coverage under this Act and to have his or her
10 spouse considered as the "annuitant" under this Act and not
11 as a "dependent"; or (5) an employee who retires, or has
12 retired, from a qualified position, as determined according
13 to rules promulgated by the Director, under a qualified local
14 government or a qualified rehabilitation facility or a
15 qualified domestic violence shelter or service. (For
16 definition of "retired employee", see (p) post).

17 (b-5) "New SERS annuitant" means a person who, on or
18 after January 1, 1998, becomes an annuitant, as defined in
19 subsection (b), by virtue of beginning to receive a
20 retirement annuity under Article 14 of the Illinois Pension
21 Code, and is eligible to participate in the basic program of
22 group health benefits provided for annuitants under this Act.

23 (b-6) "New SURS annuitant" means a person who (1) on or
24 after January 1, 1998, becomes an annuitant, as defined in
25 subsection (b), by virtue of beginning to receive a
26 retirement annuity under Article 15 of the Illinois Pension
27 Code, (2) has not made the election authorized under Section
28 15-135.1 of the Illinois Pension Code, and (3) is eligible to
29 participate in the basic program of group health benefits
30 provided for annuitants under this Act.

31 (b-7) "New TRS State annuitant" means a person who, on
32 or after July 1, 1998, becomes an annuitant, as defined in
33 subsection (b), by virtue of beginning to receive a
34 retirement annuity under Article 16 of the Illinois Pension

1 Code based on service as a teacher as defined in paragraph
2 (2), (3), or (5) of Section 16-106 of that Code, and is
3 eligible to participate in the basic program of group health
4 benefits provided for annuitants under this Act.

5 (c) "Carrier" means (1) an insurance company, a
6 corporation organized under the Limited Health Service
7 Organization Act or the Voluntary Health Services Plan Act, a
8 partnership, or other nongovernmental organization, which is
9 authorized to do group life or group health insurance
10 business in Illinois, or (2) the State of Illinois as a
11 self-insurer.

12 (d) "Compensation" means salary or wages payable on a
13 regular payroll by the State Treasurer on a warrant of the
14 State Comptroller out of any State, trust or federal fund, or
15 by the Governor of the State through a disbursing officer of
16 the State out of a trust or out of federal funds, or by any
17 Department out of State, trust, federal or other funds held
18 by the State Treasurer or the Department, to any person for
19 personal services currently performed, and ordinary or
20 accidental disability benefits under Articles 2, 14, 15
21 (including ordinary or accidental disability benefits under
22 the optional retirement program established under Section
23 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or
24 Article 18 of the Illinois Pension Code, for disability
25 incurred after January 1, 1966, or benefits payable under the
26 Workers' Compensation or Occupational Diseases Act or
27 benefits payable under a sick pay plan established in
28 accordance with Section 36 of the State Finance Act.
29 "Compensation" also means salary or wages paid to an employee
30 of any qualified local government or qualified rehabilitation
31 facility or a qualified domestic violence shelter or service.

32 (e) "Commission" means the State Employees Group
33 Insurance Advisory Commission authorized by this Act.
34 Commencing July 1, 1984, "Commission" as used in this Act

1 means the Illinois Economic and Fiscal Commission as
2 established by the Legislative Commission Reorganization Act
3 of 1984.

4 (f) "Contributory", when referred to as contributory
5 coverage, shall mean optional coverages or benefits elected
6 by the member toward the cost of which such member makes
7 contribution, or which are funded in whole or in part through
8 the acceptance of a reduction in earnings or the foregoing of
9 an increase in earnings by an employee, as distinguished from
10 noncontributory coverage or benefits which are paid entirely
11 by the State of Illinois without reduction of the member's
12 salary.

13 (g) "Department" means any department, institution,
14 board, commission, officer, court or any agency of the State
15 government receiving appropriations and having power to
16 certify payrolls to the Comptroller authorizing payments of
17 salary and wages against such appropriations as are made by
18 the General Assembly from any State fund, or against trust
19 funds held by the State Treasurer and includes boards of
20 trustees of the retirement systems created by Articles 2, 14,
21 15, 16 and 18 of the Illinois Pension Code. "Department"
22 also includes the Illinois Comprehensive Health Insurance
23 Board, the Board of Examiners established under the Illinois
24 Public Accounting Act, and the Illinois Rural Bond Bank.

25 (h) "Dependent", when the term is used in the context of
26 the health and life plan, means a member's spouse and any
27 unmarried child (1) from birth to age 19 including an adopted
28 child, a child who lives with the member from the time of the
29 filing of a petition for adoption until entry of an order of
30 adoption, a stepchild or recognized child who lives with the
31 member in a parent-child relationship, or a child who lives
32 with the member if such member is a court appointed guardian
33 of the child, or (2) age 19 to 23 enrolled as a full-time
34 student in any accredited school, financially dependent upon

1 the member, and eligible to be claimed as a dependent for
2 income tax purposes, or (3) age 19 or over who is mentally or
3 physically handicapped. For the health plan only, the term
4 "dependent" also includes any person enrolled prior to the
5 effective date of this Section who is dependent upon the
6 member to the extent that the member may claim such person as
7 a dependent for income tax deduction purposes; no other such
8 person may be enrolled.

9 (i) "Director" means the Director of the Illinois
10 Department of Central Management Services.

11 (j) "Eligibility period" means the period of time a
12 member has to elect enrollment in programs or to select
13 benefits without regard to age, sex or health.

14 (k) "Employee" means and includes each officer or
15 employee in the service of a department who (1) receives his
16 compensation for service rendered to the department on a
17 warrant issued pursuant to a payroll certified by a
18 department or on a warrant or check issued and drawn by a
19 department upon a trust, federal or other fund or on a
20 warrant issued pursuant to a payroll certified by an elected
21 or duly appointed officer of the State or who receives
22 payment of the performance of personal services on a warrant
23 issued pursuant to a payroll certified by a Department and
24 drawn by the Comptroller upon the State Treasurer against
25 appropriations made by the General Assembly from any fund or
26 against trust funds held by the State Treasurer, and (2) is
27 employed full-time or part-time in a position normally
28 requiring actual performance of duty during not less than 1/2
29 of a normal work period, as established by the Director in
30 cooperation with each department, except that persons elected
31 by popular vote will be considered employees during the
32 entire term for which they are elected regardless of hours
33 devoted to the service of the State, and (3) except that
34 "employee" does not include any person who is not eligible by

1 reason of such person's employment to participate in one of
2 the State retirement systems under Articles 2, 14, 15 (either
3 the regular Article 15 system or the optional retirement
4 program established under Section 15-158.2) or 18, or under
5 paragraph (2), (3), or (5) of Section 16-106, of the Illinois
6 Pension Code, but such term does include persons who are
7 employed during the 6 month qualifying period under Article
8 14 of the Illinois Pension Code. Such term also includes any
9 person who (1) after January 1, 1966, is receiving ordinary
10 or accidental disability benefits under Articles 2, 14, 15
11 (including ordinary or accidental disability benefits under
12 the optional retirement program established under Section
13 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or
14 Article 18 of the Illinois Pension Code, for disability
15 incurred after January 1, 1966, (2) receives total permanent
16 or total temporary disability under the Workers' Compensation
17 Act or Occupational Disease Act as a result of injuries
18 sustained or illness contracted in the course of employment
19 with the State of Illinois, or (3) is not otherwise covered
20 under this Act and has retired as a participating member
21 under Article 2 of the Illinois Pension Code but is
22 ineligible for the retirement annuity under Section 2-119 of
23 the Illinois Pension Code. However, a person who satisfies
24 the criteria of the foregoing definition of "employee" except
25 that such person is made ineligible to participate in the
26 State Universities Retirement System by clause (4) of
27 subsection (a) of Section 15-107 of the Illinois Pension Code
28 is also an "employee" for the purposes of this Act.
29 "Employee" also includes any person receiving or eligible for
30 benefits under a sick pay plan established in accordance with
31 Section 36 of the State Finance Act. "Employee" also includes
32 each officer or employee in the service of a qualified local
33 government, including persons appointed as trustees of
34 sanitary districts regardless of hours devoted to the service

1 of the sanitary district, and each employee in the service of
2 a qualified rehabilitation facility and each full-time
3 employee in the service of a qualified domestic violence
4 shelter or service, as determined according to rules
5 promulgated by the Director.

6 (l) "Member" means an employee, annuitant, retired
7 employee or survivor.

8 (m) "Optional coverages or benefits" means those
9 coverages or benefits available to the member on his or her
10 voluntary election, and at his or her own expense.

11 (n) "Program" means the group life insurance, health
12 benefits and other employee benefits designed and contracted
13 for by the Director under this Act.

14 (o) "Health plan" means a health benefits program
15 offered by the State of Illinois for persons eligible for the
16 plan.

17 (p) "Retired employee" means any person who would be an
18 annuitant as that term is defined herein but for the fact
19 that such person retired prior to January 1, 1966. Such term
20 also includes any person formerly employed by the University
21 of Illinois in the Cooperative Extension Service who would be
22 an annuitant but for the fact that such person was made
23 ineligible to participate in the State Universities
24 Retirement System by clause (4) of subsection (a) of Section
25 15-107 of the Illinois Pension Code.

26 (q) "Survivor" means a person receiving an annuity as a
27 survivor of an employee or of an annuitant. "Survivor" also
28 includes: (1) the surviving dependent of a person who
29 satisfies the definition of "employee" except that such
30 person is made ineligible to participate in the State
31 Universities Retirement System by clause (4) of subsection
32 (a) of Section 15-107 of the Illinois Pension Code; and (2)
33 the surviving dependent of any person formerly employed by
34 the University of Illinois in the Cooperative Extension

1 Service who would be an annuitant except for the fact that
2 such person was made ineligible to participate in the State
3 Universities Retirement System by clause (4) of subsection
4 (a) of Section 15-107 of the Illinois Pension Code.

5 (q-5) "New SERS survivor" means a survivor, as defined
6 in subsection (q), whose annuity is paid under Article 14 of
7 the Illinois Pension Code and is based on the death of (i) an
8 employee whose death occurs on or after January 1, 1998, or
9 (ii) a new SERS annuitant as defined in subsection (b-5).

10 (q-6) "New SURS survivor" means a survivor, as defined
11 in subsection (q), whose annuity is paid under Article 15 of
12 the Illinois Pension Code and is based on the death of (i) an
13 employee whose death occurs on or after January 1, 1998, or
14 (ii) a new SURS annuitant as defined in subsection (b-6).

15 (q-7) "New TRS State survivor" means a survivor, as
16 defined in subsection (q), whose annuity is paid under
17 Article 16 of the Illinois Pension Code and is based on the
18 death of (i) an employee who is a teacher as defined in
19 paragraph (2), (3), or (5) of Section 16-106 of that Code and
20 whose death occurs on or after July 1, 1998, or (ii) a new
21 TRS State annuitant as defined in subsection (b-7).

22 (r) "Medical services" means the services provided
23 within the scope of their licenses by practitioners in all
24 categories licensed under the Medical Practice Act of 1987.

25 (s) "Unit of local government" means any county,
26 municipality, township, school district, special district or
27 other unit, designated as a unit of local government by law,
28 which exercises limited governmental powers or powers in
29 respect to limited governmental subjects, any not-for-profit
30 association with a membership that primarily includes
31 townships and township officials, that has duties that
32 include provision of research service, dissemination of
33 information, and other acts for the purpose of improving
34 township government, and that is funded wholly or partly in

1 accordance with Section 85-15 of the Township Code; any
2 not-for-profit corporation or association, with a membership
3 consisting primarily of municipalities, that operates its own
4 utility system, and provides research, training,
5 dissemination of information, or other acts to promote
6 cooperation between and among municipalities that provide
7 utility services and for the advancement of the goals and
8 purposes of its membership; the Southern Illinois Collegiate
9 Common Market, which is a consortium of higher education
10 institutions in Southern Illinois; and the Illinois
11 Association of Park Districts. "Qualified local government"
12 means a unit of local government approved by the Director and
13 participating in a program created under subsection (i) of
14 Section 10 of this Act.

15 (t) "Qualified rehabilitation facility" means any
16 not-for-profit organization that is accredited by the
17 Commission on Accreditation of Rehabilitation Facilities or
18 certified by the Department of Human Services (as successor
19 to the Department of Mental Health and Developmental
20 Disabilities) to provide services to persons with
21 disabilities and which receives funds from the State of
22 Illinois for providing those services, approved by the
23 Director and participating in a program created under
24 subsection (j) of Section 10 of this Act.

25 (u) "Qualified domestic violence shelter or service"
26 means any Illinois domestic violence shelter or service and
27 its administrative offices funded by the Department of Human
28 Services (as successor to the Illinois Department of Public
29 Aid), approved by the Director and participating in a program
30 created under subsection (k) of Section 10.

31 (v) "TRS benefit recipient" means a person who:
32 (1) is not a "member" as defined in this Section;
33 and
34 (2) is receiving a monthly benefit or retirement

1 annuity under Article 16 of the Illinois Pension Code;
2 and

3 (3) either (i) has at least 8 years of creditable
4 service under Article 16 of the Illinois Pension Code, or
5 (ii) was enrolled in the health insurance program offered
6 under that Article on January 1, 1996, or (iii) is the
7 survivor of a benefit recipient who had at least 8 years
8 of creditable service under Article 16 of the Illinois
9 Pension Code or was enrolled in the health insurance
10 program offered under that Article on the effective date
11 of this amendatory Act of 1995, or (iv) is a recipient or
12 survivor of a recipient of a disability benefit under
13 Article 16 of the Illinois Pension Code.

14 (w) "TRS dependent beneficiary" means a person who:

15 (1) is not a "member" or "dependent" as defined in
16 this Section; and

17 (2) is a TRS benefit recipient's: (A) spouse, (B)
18 dependent parent who is receiving at least half of his or
19 her support from the TRS benefit recipient, or (C)
20 unmarried natural or adopted child who is (i) under age
21 19, or (ii) enrolled as a full-time student in an
22 accredited school, financially dependent upon the TRS
23 benefit recipient, eligible to be claimed as a dependent
24 for income tax purposes, and either is under age 24 or
25 was, on January 1, 1996, participating as a dependent
26 beneficiary in the health insurance program offered under
27 Article 16 of the Illinois Pension Code, or (iii) age 19
28 or over who is mentally or physically handicapped.

29 (x) "Military leave with pay and benefits" refers to
30 individuals in basic training for reserves, special/advanced
31 training, annual training, emergency call up, or activation
32 by the President of the United States with approved pay and
33 benefits.

34 (y) "Military leave without pay and benefits" refers to

1 individuals who enlist for active duty in a regular component
2 of the U.S. Armed Forces or other duty not specified or
3 authorized under military leave with pay and benefits.

4 (z) "Community college benefit recipient" means a person
5 who:

6 (1) is not a "member" as defined in this Section;
7 and

8 (2) is receiving a monthly survivor's annuity or
9 retirement annuity under Article 15 of the Illinois
10 Pension Code; and

11 (3) either (i) was a full-time employee of a
12 community college district or an association of community
13 college boards created under the Public Community College
14 Act (other than an employee whose last employer under
15 Article 15 of the Illinois Pension Code was a community
16 college district subject to Article VII of the Public
17 Community College Act) and was eligible to participate in
18 a group health benefit plan as an employee during the
19 time of that employment ~~with-a-community-college-district~~
20 ~~(other-than--a--community--college--district--subject--to~~
21 ~~Article--VII--of--the-Public-Community-College-Act)-or-an~~
22 ~~association-of-community-college-boards,~~ or a part-time
23 employee of a community college district (other than a
24 community college district subject to Article VII of the
25 Public Community College Act) who was eligible to
26 participate in a group health benefit plan as an employee
27 during the time of that employment and who elected to
28 participate in the program established under Section 6.9
29 as provided in subsection (c) of that Section; or (ii) is
30 the survivor of a person described in item (i).

31 (aa) "Community college dependent beneficiary" means a
32 person who:

33 (1) is not a "member" or "dependent" as defined in
34 this Section; and

1 (2) is a community college benefit recipient's: (A)
2 spouse, (B) dependent parent who is receiving at least
3 half of his or her support from the community college
4 benefit recipient, or (C) unmarried natural or adopted
5 child who is (i) under age 19, or (ii) enrolled as a
6 full-time student in an accredited school, financially
7 dependent upon the community college benefit recipient,
8 eligible to be claimed as a dependent for income tax
9 purposes and under age 23, or (iii) age 19 or over and
10 mentally or physically handicapped.

11 (Source: P.A. 90-14, eff. 7-1-97; 90-65, eff. 7-7-97; 90-448,
12 eff. 8-16-97; 90-497, eff. 8-18-97; 90-511, eff. 8-22-97;
13 90-582, eff. 5-27-98; 90-655, eff. 7-30-98; 91-390, eff.
14 7-30-99; 91-395, eff. 7-30-99; 91-617, eff, 8-19-99; revised
15 10-19-99.)

16 (5 ILCS 375/6.9)

17 Sec. 6.9. Health benefits for community college benefit
18 recipients and community college dependent beneficiaries.

19 (a) Purpose. It is the purpose of this amendatory Act
20 of 1997 to establish a uniform program of health benefits for
21 community college benefit recipients and their dependent
22 beneficiaries under the administration of the Department of
23 Central Management Services.

24 (b) Creation of program. Beginning July 1, 1999, the
25 Department of Central Management Services shall be
26 responsible for administering a program of health benefits
27 for community college benefit recipients and community
28 college dependent beneficiaries under this Section. The
29 State Universities Retirement System and the boards of
30 trustees of the various community college districts shall
31 cooperate with the Department in this endeavor.

32 (c) Eligibility. All community college benefit
33 recipients and community college dependent beneficiaries

1 shall be eligible to participate in the program established
2 under this Section, without any interruption or delay in
3 coverage or limitation as to pre-existing medical conditions.
4 Eligibility to participate shall be determined by the State
5 Universities Retirement System. Eligibility information
6 shall be communicated to the Department of Central Management
7 Services in a format acceptable to the Department.

8 Beginning January 1, 2001, a part-time employee of a
9 community college district (other than a community college
10 district subject to Article VII of the Public Community
11 College Act) who is eligible to participate in a group health
12 benefit plan as an employee may elect to participate in the
13 program established under this Section. The election must be
14 in writing and filed with the employer and the State
15 Universities Retirement System. A person making this
16 election and the employer must make the contributions
17 specified in Section 6.10.

18 (d) Coverage. The health benefit coverage provided
19 under this Section shall be a program of health, dental, and
20 vision benefits.

21 The program of health benefits under this Section may
22 include any or all of the benefit limitations, including but
23 not limited to a reduction in benefits based on eligibility
24 for federal medicare benefits, that are provided under
25 subsection (a) of Section 6 of this Act for other health
26 benefit programs under this Act.

27 (e) Insurance rates and premiums. The Director shall
28 determine the insurance rates and premiums for community
29 college benefit recipients and community college dependent
30 beneficiaries. Rates and premiums may be based in part on
31 age and eligibility for federal Medicare coverage. The
32 Director shall also determine premiums that will allow for
33 the establishment of an actuarially sound reserve for this
34 program.

1 The cost of health benefits under the program shall be
2 paid as follows:

3 (1) For a community college benefit recipient, up
4 to 75% of the total insurance rate shall be paid from the
5 Community College Health Insurance Security Fund.

6 (2) The balance of the rate of insurance, including
7 the entire premium for any coverage for community college
8 dependent beneficiaries that has been elected, shall be
9 paid by deductions authorized by the community college
10 benefit recipient to be withheld from his or her monthly
11 annuity or benefit payment from the State Universities
12 Retirement System; except that (i) if the balance of the
13 cost of coverage exceeds the amount of the monthly
14 annuity or benefit payment, the difference shall be paid
15 directly to the State Universities Retirement System by
16 the community college benefit recipient, and (ii) all or
17 part of the balance of the cost of coverage may, at the
18 option of the board of trustees of the community college
19 district, be paid to the State Universities Retirement
20 System by the board of the community college district
21 from which the community college benefit recipient
22 retired. The State Universities Retirement System shall
23 promptly deposit all moneys withheld by or paid to it
24 under this subdivision (e)(2) into the Community College
25 Health Insurance Security Fund. These moneys shall not
26 be considered assets of the State Universities Retirement
27 System.

28 (f) Financing. All revenues arising from the
29 administration of the health benefit program established
30 under this Section shall be deposited into the Community
31 College Health Insurance Security Fund, which is hereby
32 created as a nonappropriated trust fund to be held outside
33 the State Treasury, with the State Treasurer as custodian.
34 Any interest earned on moneys in the Community College Health

1 Insurance Security Fund shall be deposited into the Fund.

2 Moneys in the Community College Health Insurance Security
3 Fund shall be used only to pay the costs of the health
4 benefit program established under this Section, including
5 associated administrative costs and the establishment of a
6 program reserve. Beginning January 1, 1999, the Department
7 of Central Management Services may make expenditures from the
8 Community College Health Insurance Security Fund for those
9 costs.

10 (g) Contract for benefits. The Director shall by
11 contract, self-insurance, or otherwise make available the
12 program of health benefits for community college benefit
13 recipients and their community college dependent
14 beneficiaries that is provided for in this Section. The
15 contract or other arrangement for the provision of these
16 health benefits shall be on terms deemed by the Director to
17 be in the best interest of the State of Illinois and the
18 community college benefit recipients based on, but not
19 limited to, such criteria as administrative cost, service
20 capabilities of the carrier or other contractor, and the
21 costs of the benefits.

22 (h) Continuation of program. It is the intention of the
23 General Assembly that the program of health benefits provided
24 under this Section be maintained on an ongoing, affordable
25 basis. The program of health benefits provided under this
26 Section may be amended by the State and is not intended to be
27 a pension or retirement benefit subject to protection under
28 Article XIII, Section 5 of the Illinois Constitution.

29 (i) Other health benefit plans. A health benefit plan
30 provided by a community college district (other than a
31 community college district subject to Article VII of the
32 Public Community College Act) under the terms of a collective
33 bargaining agreement in effect on or prior to the effective
34 date of this amendatory Act of 1997 shall continue in force

1 according to the terms of that agreement, unless otherwise
2 mutually agreed by the parties to that agreement and the
3 affected retiree. A community college benefit recipient or
4 community college dependent beneficiary whose coverage under
5 such a plan expires shall be eligible to begin participating
6 in the program established under this Section without any
7 interruption or delay in coverage or limitation as to
8 pre-existing medical conditions.

9 This Act does not prohibit any community college district
10 from offering additional health benefits for its retirees or
11 their dependents or survivors.

12 (Source: P.A. 90-497, eff. 8-18-97; 90-655, eff. 7-30-98.)

13 (5 ILCS 375/6.10)

14 Sec. 6.10. Contributions to the Community College Health
15 Insurance Security Fund.

16 (a) Beginning January 1, 1999, every active contributor
17 of the State Universities Retirement System (established
18 under Article 15 of the Illinois Pension Code) who (1) is a
19 full-time employee of a community college district (other
20 than a community college district subject to Article VII of
21 the Public Community College Act) or an association of
22 community college boards, or a part-time employee who has
23 elected to participate under subsection (c) of Section 6.9
24 and (2) is not an employee as defined in Section 3 of this
25 Act shall make contributions toward the cost of community
26 college annuitant and survivor health benefits at the rate of
27 0.50% of salary.

28 These contributions shall be deducted by the employer and
29 paid to the State Universities Retirement System as service
30 agent for the Department of Central Management Services. The
31 System may use the same processes for collecting the
32 contributions required by this subsection that it uses to
33 collect the contributions received from those employees under

1 Section 15-157 of the Illinois Pension Code. An employer may
2 agree to pick up or pay the contributions required under this
3 subsection on behalf of the employee; such contributions
4 shall be deemed to have been paid by the employee.

5 The State Universities Retirement System shall promptly
6 deposit all moneys collected under this subsection (a) into
7 the Community College Health Insurance Security Fund created
8 in Section 6.9 of this Act. The moneys collected under this
9 Section shall be used only for the purposes authorized in
10 Section 6.9 of this Act and shall not be considered to be
11 assets of the State Universities Retirement System.
12 Contributions made under this Section are not transferable to
13 other pension funds or retirement systems and are not
14 refundable upon termination of service.

15 (b) Beginning January 1, 1999, every community college
16 district (other than a community college district subject to
17 Article VII of the Public Community College Act) or
18 association of community college boards that is an employer
19 under the State Universities Retirement System shall
20 contribute toward the cost of the community college health
21 benefits provided under Section 6.9 of this Act an amount
22 equal to 0.50% of the salary paid to its full-time employees
23 who participate in the State Universities Retirement System
24 and are not members as defined in Section 3 of this Act and
25 each of its part-time employees who have elected to
26 participate under subsection (c) of Section 6.9.

27 These contributions shall be paid by the employer to the
28 State Universities Retirement System as service agent for the
29 Department of Central Management Services. The System may
30 use the same processes for collecting the contributions
31 required by this subsection that it uses to collect the
32 contributions received from those employers under Section
33 15-155 of the Illinois Pension Code.

34 The State Universities Retirement System shall promptly

1 deposit all moneys collected under this subsection (b) into
2 the Community College Health Insurance Security Fund created
3 in Section 6.9 of this Act. The moneys collected under this
4 Section shall be used only for the purposes authorized in
5 Section 6.9 of this Act and shall not be considered to be
6 assets of the State Universities Retirement System.
7 Contributions made under this Section are not transferable to
8 other pension funds or retirement systems and are not
9 refundable upon termination of service.

10 (c) On or before November 15 of each year, the Board of
11 Trustees of the State Universities Retirement System shall
12 certify to the Governor, the Director of Central Management
13 Services, and the State Comptroller its estimate of the total
14 amount of contributions to be paid under subsection (a) of
15 this Section for the next fiscal year. The certification
16 shall include a detailed explanation of the methods and
17 information that the Board relied upon in preparing its
18 estimate. As soon as possible after the effective date of
19 this Section, the Board shall submit its estimate for fiscal
20 year 1999.

21 (d) Beginning in fiscal year 1999, on the first day of
22 each month, or as soon thereafter as may be practical, the
23 State Treasurer and the State Comptroller shall transfer from
24 the General Revenue Fund to the Community College Health
25 Insurance Security Fund 1/12 of the annual amount
26 appropriated for that fiscal year to the State Comptroller
27 for deposit into the Community College Health Insurance
28 Security Fund under Section 1.4 of the State Pension Funds
29 Continuing Appropriation Act.

30 (e) Except where otherwise specified in this Section,
31 the definitions that apply to Article 15 of the Illinois
32 Pension Code apply to this Section.

33 (Source: P.A. 90-497, eff. 8-18-97; 91-887, eff. 7-6-00.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.25 as follows:

3 (30 ILCS 805/8.25 new)

4 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
5 and 8 of this Act, no reimbursement by the State is required
6 for the implementation of any mandate created by this
7 amendatory Act of the 92nd General Assembly.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.