

AN ACT concerning employment benefits.

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

Section 1. Short title. This Act may be cited as the Illinois Fringe Benefit Portability and Continuity Act.

Section 5. Public policy. It is the purpose of this Act that temporary or short-term employees employed by the State of Illinois and its political subdivisions or other public employers shall have continuity of health and welfare insurance, pension, and other fringe benefits for work performed for the State of Illinois, its political subdivisions, and other public employers, and that the State of Illinois and its political subdivisions and other public employers shall have the contractual authority to execute written agreements with employee benefit plans and labor organizations to ensure that temporary and short-term employees have continuity of health and welfare insurance, pension, and other fringe benefits for work performed for the State of Illinois and its political subdivisions or other public employers.

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

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

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

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

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

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

Section 20. Fringe benefit portability and continuity.

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

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

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

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

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

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

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

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

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

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