HB3612

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95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB3612

Introduced 2/28/2007, by Rep. JoAnn D. Osmond

SYNOPSIS AS INTRODUCED:

30 ILCS 105/14a.5

Amends the State Finance Act. Provides that in addition to the lump sum payment incentive program provided to State employees who terminate employment with the State, the program may also provide for payment to participants or their health benefit coverage providers of an amount representing the net cost to the participating employee of his or her health benefit coverage under the State Employees Group Insurance Act of 1971 or applicable COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) insurance continuation provisions for the life of the participant (now, only up to 6 months immediately following termination of State service). Deletes a provision concerning the maximum pay out to State employees under this program.

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FISCAL NOTE ACT
MAY APPLY

A BILL FOR

AN ACT concerning insurance.

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

Section 5. The State Finance Act is amended by changing Section 14a.5 as follows:

(30 ILCS 105/14a.5)

Sec. 14a.5. Maximum incentive payments for early termination of State service.

(a) The Department of Central Management Services shall create, adopt by emergency rulemaking under the Illinois Administrative Procedure Act through the Joint Committee on Administrative Rules by October 1, 2004, and administer a program of incentive payments for early termination of State service. The program shall provide for the payment of a lump sum incentive to certain persons who terminate State employment on or after November 1, 2004 but on or before December 31, 2004. The lump sum payment to any individual under the program shall not exceed 25% of final monthly rate of pay for each completed year of State employment, nor shall it exceed the compensation earned by the individual during the 6 months immediately preceding his or her termination from State service, and is payable out of the personal services appropriation from which the employee's salary is paid. The rules of the program may limit the number of individuals listed under Section 14-108.5(b)(1) of the Illinois Pension Code who may participate in the program and shall specify how the lump sum amount will be determined and vouchered; provided, however, that all employees within the same title shall be provided lump sum amounts on the same terms, varying only due to their time of State service. The director or other head of a department shall limit the number of individuals listed under Section 14-108.5(b)(2) of the Illinois Pension Code who may participate in the program and shall specify the amount of the lump sum and how the lump sum amount will be determined and vouchered.

(b) In addition to the lump sum payment provided under subsection (a), the program may also provide for payment to participants or their health benefit coverage providers of an amount representing the net cost to the participating employee of his or her health benefit coverage under the State Employees Group Insurance Act of 1971 or applicable COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) insurance continuation provisions for the life of the participant ~~up to 6 months~~ immediately following termination of State service. The amount payable to any participant under this subsection ~~shall not exceed $3,600 and~~ is payable out of the personal services appropriation from which the employee's salary is paid. The program rules shall specify how the amount payable under this subsection will be determined and vouchered.

(c) The program authorized under this Section applies only to a person who (1) was an active employee of the State of Illinois on any day during June 2004 in a position listed in subsection (b) of Section 14-108.5 of the Illinois Pension Code and was continuously employed in a position listed in subsection (b) of Section 14-108.5 of the Illinois Pension Code on and after January 1, 2004, (2) applies in writing to the Department of Central Management Services, in the case of a person listed under Section 14-108.5(b)(1) of the Illinois Pension Code, or to the director or other head of the department at which he or she is employed, in the case of a person listed under Section 14-108.5(b)(2) of the Illinois Pension Code, on or before October 31, 2004, (3) does not accept an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code, and (4) terminates his or her State employment on or before December 31, 2004.

(d) A participant in the program who returns to State employment (other than as an elected official or as a temporary employee for not more than 75 days per calendar year) thereby forfeits the incentive payments received under the program and must repay those amounts to the Department of Central Management Services, in the case of a person listed under Section 14-108.5(b)(1) of the Illinois Pension Code, or to the department at which he or she is employed, in the case of a person listed under Section 14-108.5(b)(2) of the Illinois Pension Code, within 60 days after his or her return to State

employment.
(Source: P.A. 93-839, eff. 7-30-04.)