



Sen. John M. Sullivan

Filed: 3/12/2007

09500SB1249sam001

LRB095 10038 JAM 32763 a

1 AMENDMENT TO SENATE BILL 1249

2 AMENDMENT NO. _____. Amend Senate Bill 1249 by replacing
3 everything after the enacting clause with the following:

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

1 employees have continuity of health and welfare insurance,
2 pension, and other fringe benefits for work performed for the
3 State of Illinois and its political subdivisions or other
4 public employers.

5 Section 10. Application. This Act applies to the State of
6 Illinois and its political subdivisions and other public
7 employers that employ temporary or short-term employees who are
8 not covered by an employment contract or collective bargaining
9 agreement but who are referred from labor organizations and are
10 receiving a fringe benefit allowance directly and in the form
11 of wages from the State of Illinois and its political
12 subdivisions and other public employers.

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

15 "Employee benefit plan" shall mean an employee benefit plan
16 as defined under the Employee Retirement Income Security Act,
17 29 U.S.C. 1001, et. seq.

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

21 "Written agreement" shall mean a participation agreement
22 or other agreement prescribed by the employee benefit plan or
23 labor organization but shall not be construed as a collective
24 bargaining agreement, except as permitted under the Illinois

1 Public Labor Relations Act.

2 Section 20. Fringe benefit portability and continuity.

3 (a) The State of Illinois and its political subdivisions
4 and other public employers shall enter into written agreements
5 with employee benefit plans and labor organizations providing
6 that the State of Illinois and its political subdivisions and
7 other public employers shall remit the fringe benefit allowance
8 of the applicable wage package directly to the applicable
9 employee benefit plans as an employer contribution for the
10 temporary or short-term employees who are referred from labor
11 organizations, provided that:

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

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

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

25 (4) The State of Illinois and its political

1 subdivisions and other public employers agree, in writing,
2 to make contributions subject to the same rules and
3 policies generally applicable to private employers who are
4 making contributions to that employee benefit plan.

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

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

24 Section 97. Severability. The provisions of this Act are

1 severable under Section 1.31 of the Statute on Statutes."