

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, or a person who is an employee of the
13 public school district who is a recipient of a service
14 retirement, disability retirement, or survivor's pension from
15 a pension system created under Article 8 of this Code, an
16 amount to be determined by the Board, which shall represent
17 partial reimbursement for the cost of the recipient's health
18 insurance coverage.

19 (2) In lieu of the annual payment authorized in subdivision
20 (1), for pensioners enrolled in the Fund's regular health care
21 deduction plans, the Fund may pay the health insurance premium
22 reimbursement on a monthly rather than annual basis, at the
23 percentage rate established from time to time by the Board. If

1 the Board so directs, these monthly payments may be made in the
2 form of a direct payment of premium and a reduction in the
3 amount deducted from the annuity, rather than in the form of
4 reimbursement by separate warrant.

5 (3) Total payments under this Section in any year may not
6 exceed \$65,000,000 plus any amount that was authorized to be
7 paid under this Section in the preceding year but was not
8 actually paid by the Board, including any interest earned
9 thereon.

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

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

15 Section 90. The State Mandates Act is amended by adding
16 Section 8.34 as follows:

17 (30 ILCS 805/8.34 new)

18 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
19 of this Act, no reimbursement by the State is required for the
20 implementation of any mandate created by this amendatory Act of
21 the 96th General Assembly.