



Rep. Elaine Nekritz

Filed: 4/6/2016

09900HB5681ham002

LRB099 17090 EFG 47100 a

1 AMENDMENT TO HOUSE BILL 5681

2 AMENDMENT NO. _____. Amend House Bill 5681 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing 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 an amount to be determined by the Board,
13 which shall represent partial reimbursement for the cost of the
14 recipient's health insurance coverage.

15 (2) In lieu of the annual payment authorized in subdivision
16 (1), for pensioners enrolled in the Fund's regular health care

1 deduction plans, the Fund may pay the health insurance premium
2 reimbursement on a monthly rather than annual basis, at the
3 percentage rate established from time to time by the Board. If
4 the Board so directs, these monthly payments may be made in the
5 form of a direct payment of premium and a reduction in the
6 amount deducted from the annuity, rather than in the form of
7 reimbursement by separate warrant.

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

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

17 (5) There is hereby created the Chicago Teachers' Pension
18 Fund Health Insurance Task Force. The Task Force shall consist
19 of 12 members appointed as follows:

20 (a) Eight members, 2 of whom shall be appointed by each
21 of the 4 legislative leaders.

22 (b) One member, who shall be appointed by the board of
23 trustees of the Fund.

24 (c) One member, who shall be appointed by an
25 organization that represents retired Chicago teachers.

26 (d) One member, who shall be appointed by an

1 organization that represents Chicago teachers.

2 (e) One member, who shall be appointed by the chairman
3 of the Chicago Board of Education.

4 The Task force shall study and consider the program of
5 health insurance coverage for pensioners that is currently
6 administered by the Fund, and shall present its findings and
7 recommendations concerning the following specified matters:

8 (i) the need for increasing the \$65,000,000 limitation
9 on annual payments under subsection (3) of this Section;

10 (ii) moving the administration of the retiree health
11 plan to another appropriate public or private entity;

12 (iii) suggestions for an exit strategy and transition;

13 (iv) consideration of alternative funding mechanisms;

14 and

15 (v) consideration of the proper role of fiduciaries in
16 administering the health insurance program.

17 Members of the Task Force shall serve without compensation.

18 The Fund shall provide a meeting place and clerical support for
19 the Task Force.

20 The Task Force shall present a final report of its findings
21 and recommendations to the Governor of Illinois, the Mayor of
22 Chicago, the Illinois General Assembly, and the Illinois State
23 Library no later than January 31, 2017. Upon the filing of its
24 report and the conclusion of its business, the Task Force is
25 abolished.

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

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