



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB1605

Introduced 2/9/2011, by Sen. John G. Mulroe

SYNOPSIS AS INTRODUCED:

40 ILCS 5/5-167.5
30 ILCS 805/8.35 new

from Ch. 108 1/2, par. 5-167.5

Amends the Chicago Police Article of the Illinois Pension Code. Provides that retiree members of the city health care plans shall pay no higher premium, and shall receive no lower level of benefits, than the active employee members with the same Medicare status. Pre-empts home rule. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB097 08633 JDS 48761 b

FISCAL NOTE ACT
MAY APPLY

HOME RULE NOTE
ACT MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 5-167.5 as follows:

6 (40 ILCS 5/5-167.5) (from Ch. 108 1/2, par. 5-167.5)

7 Sec. 5-167.5. Payments to city for annuitant health care;
8 equality of coverage.

9 (a) For the purposes of this Section, "city annuitant"
10 means a person receiving an age and service annuity, a widow's
11 annuity, a child's annuity, or a minimum annuity under this
12 Article as a direct result of previous employment by the City
13 of Chicago ("the city").

14 (b) The board shall pay to the city, on behalf of the
15 board's city annuitants who participate in any of the city's
16 health care plans, the following amounts:

17 (1) From July 1, 2003 through June 30, 2008, \$85 per
18 month for each such annuitant who is not eligible to
19 receive Medicare benefits and \$55 per month for each such
20 annuitant who is eligible to receive Medicare benefits.

21 (2) From July 1, 2008 through June 30, 2013, \$95 per
22 month for each such annuitant who is not eligible to
23 receive Medicare benefits and \$65 per month for each such

1 annuitant who is eligible to receive Medicare benefits.

2 The payments described in this subsection shall be paid
3 from the tax levy authorized under Section 5-168; such amounts
4 shall be credited to the reserve for group hospital care and
5 group medical and surgical plan benefits, and all payments to
6 the city required under this subsection shall be charged
7 against it.

8 (c) The city health care plans referred to in this Section
9 and the board's payments to the city under this Section are not
10 and shall not be construed to be pension or retirement benefits
11 for the purposes of Section 5 of Article XIII of the Illinois
12 Constitution of 1970.

13 (d) Beginning January 1, 2012, retirees under this Article
14 who participate in the city health care plans shall pay no
15 higher premium or other cost, and shall receive no lower level
16 of benefits, than the corresponding active employee
17 participants in those plans with the same Medicare status. The
18 city, a home rule unit, may not create or maintain any
19 inequality in benefits or costs for retired and active
20 participants in the city health care plans in a manner
21 inconsistent with this subsection. This subsection is a
22 limitation on the concurrent exercise of home rule power under
23 subsection (i) of Section 6 of Article VII of the Illinois
24 Constitution.

25 (Source: P.A. 92-599, eff. 6-28-02; 93-42, eff. 7-1-03.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.35 as follows:

3 (30 ILCS 805/8.35 new)

4 Sec. 8.35. Exempt mandate. Notwithstanding Sections 6 and 8
5 of this Act, no reimbursement by the State is required for the
6 implementation of any mandate created by this amendatory Act of
7 the 97th General Assembly.

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