

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 SB2066

Introduced 2/15/2019, by Sen. Chapin Rose

SYNOPSIS AS INTRODUCED:

215 ILCS 5/Art. V.875 heading new 215 ILCS 5/107b.01 new 215 ILCS 5/107b.02 new

Amends the Illinois Insurance Code. Provides that an employer who is a member of a recognized religious sect or division of a recognized religious sect and who is adherent of established tenets or teachings of that sect or division by reason of which the employer is conscientiously opposed to benefits to employers and employees from any public or private insurance that makes payment in the event of death, disability, impairment, old age, or retirement or makes payments toward the cost of, or provides services in connection with the payment for medical services, including the benefits from any insurance system established by the Social Security Act may apply to the Director to be exempted from the payment of premiums and other charges assessed under this Code, with respect to, or if the employer is a self-insuring employer, from payment of direct compensation and benefits to and assessments required by this Code on account of, an individual employee who meets the requirements of this Code. Provides the requirements for completing the application process. Makes other changes. Effective immediately.

LRB101 11003 RAB 56196 b

FISCAL NOTE ACT MAY APPLY 1 AN ACT concerning regulation.

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

- 4 Section 5. The Illinois Insurance Code is amended by adding
- 5 Article V 7/8 as follows:
- 6 (215 ILCS 5/Art. V.875 heading new)
- 7 <u>ARTICLE V 7/8. Amish Group Workers'</u>
- 8 Compensation Pools
- 9 (215 ILCS 5/107b.01 new)
- 10 Sec. 107b.01. Short title. This Article may be cited as the
- 11 Amish Workers' Compensation Pool Law.
- 12 (215 ILCS 5/107b.02 new)
- Sec. 107b.02. Recognized religious sect employer may apply
- 14 for exemption.
- 15 (a) An employer who is a member of a recognized religious
- sect or division of a recognized religious sect and who is an
- 17 adherent of established tenets or teachings of that sect or
- 18 division by reason of which the employer is conscientiously
- opposed to benefits to employers and employees from any public
- or private insurance that makes payment in the event of death,
- 21 disability, impairment, old age, or retirement or makes

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payments toward the cost of, or provides services in connection with the payment for, medical services, including the benefits from any insurance system established by the Social Security Act may apply to the Director to be exempt from payment of premiums and other charges assessed under this Code with respect to, or if the employer is a self-insuring employer, from payment of direct compensation and benefits to and assessments required by this Code on account of, an individual employee who meets the requirements of this Section. The employer shall make an application on forms provided by the Director for which forms may be those used by or similar to those used by the United States Internal Revenue Service for the purpose of granting an exemption from payment of social security taxes under 26 U.S.C.A. 1402(g) of the Internal Revenue Code, and shall include a written waiver signed by the individual employee to be excepted from all the benefits and compensation provided in this Code.

The application also shall include affidavits signed by the employer and the individual employee that the employer and the individual employee are members of a recognized religious sect or division of a recognized religious sect and are adherents of established tenets or teaching of that sect or division by reason of which the employer and the individual employee are conscientiously opposed to benefits to employers and employees received from any public or private insurance that makes payments in the event of death, disability, impairment, old

age, or retirement or makes payments toward the cost of, or provides services in connection with the payment for, medical services, including the benefits from any insurance system established by the Social Security Act. If the individual is a minor, the guardian of the minor shall complete the waiver and affidavit required by this division.

(b) The Director shall grant the waiver and exception to the employer for a particular individual employee if the Director finds that the employer and the individual employee are members of a sect or division having the established tenets or teachings described in subsection (a), that it is the practice, and has been for a substantial number of years, for members of the sect or division of the sect to make provision for their dependent members which, in the Director's judgment, is reasonable in view of their general level of hiring, and that the sect or division of the sect has been in existence at all times since December 31, 1950.

(c) A waiver and exception under subsection (b) is effective on the date the Director grants the waiver and exception. An employer who complies with this Section and the employer's other employees, with respect to an individual employee for whom the Director grants the waiver and exception, are entitled, as to that individual employee and as to all injuries and occupational diseases of the individual employee that occurred prior to the effective date of the waiver and exception, to the protections of this Code. On and after the

effective date of the waiver and exception, the employer is not liable for the payment of any premiums or other charges assessed under this Code, or if the individual is a self-insuring employer, the employer is not liable for the payment of any compensation or benefits directly or other charges assessed under this Code in regard to that individual employee, and is considered a complying employer under this Code and the employer and the employer's other employees are entitled to the protections of this Code, as to that individual employee, and as to injuries and occupational diseases of that individual employee that occur on and after the effective date of the waiver and exception.

(d) A waiver and exception granted in regard to a specific employer and individual employee are valid for all future years unless the Director determines that the employer, individual employee, or sect or division ceases to meet the requirements of this Section. If the Director makes this determination, the employer is liable for the payment of premiums and other charges assessed under this Code, or if the employer is a self-insuring employer, the employer is liable for the payment of compensation and benefits directly and other charges assessed under this Code, in regard to the individual employee for all injuries and occupational diseases of that individual that occur on and after the date of the Director's determination, and the individual employee is entitled to all of the benefits and compensation provided in this Code for an

- 1 <u>injury or occupational disease that occurs on or after the date</u>
- of the Director's determination.
- 3 (e) Nothing in this Section exempts an employer who is a
- 4 member of a recognized religious sect or division of a
- 5 recognized religious sect from providing workers' compensation
- 6 ben<u>efits to a non-Amish employee under this Code and the</u>
- 7 Workers' Compensation Act.
- 8 (f) The Department may make such rules as it deems
- 9 necessary to implement this Section.
- 10 Section 99. Effective date. This Act takes effect upon
- 11 becoming law.