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AN ACT in relation to public employee benefits.

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

Section 5. The Illinois Pension Code is amended by
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
8 provide for the partial reimbursement of health insurance
9 costs.

10 (1) On the first day of September of each year, 11 beginning in 1988, the Board may, by separate warrant, pay to 12 each recipient of a service retirement, disability retirement 13 or survivor's pension an amount to be determined by the 14 Board, which shall represent partial reimbursement for the 15 cost of the recipient's health insurance coverage.

16 (2) In lieu of the annual payment authorized in subdivision (1), for pensioners enrolled in the Fund's 17 18 regular health care deduction plans, the Fund may pay the 19 health insurance premium reimbursement on a monthly rather 20 than annual basis, at the percentage rate established from time to time by the Board. If the Board so directs, these 21 22 monthly payments may be made in the form of a direct payment of premium and a reduction in the amount deducted from the 23 annuity, rather than in the form of reimbursement by separate 24 25 warrant.

26 (3) Total payments under this Section in any year may 27 not exceed \$65,000,000 \$40,000 plus any amount that was 28 authorized to be paid under this Section in the preceding 29 year but was not actually paid by the Board, including any 20 hours and actually paid by the Board, including any

30 <u>interest earned thereon</u>.

31 (Source: P.A. 90-566, eff. 1-2-98; 91-852, eff. 6-22-00.)

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Section 90. The State Mandates Act is amended by adding
 Section 8.27 as follows:

3 (30 ILCS 805/8.27 new)
4 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6
5 and 8 of this Act, no reimbursement by the State is required
6 for the implementation of any mandate created by this
7 amendatory Act of the 93rd General Assembly.

8 Section 99. Effective date. This Act takes effect upon9 becoming law.