



SENATE JOURNAL

STATE OF ILLINOIS

NINETY-SEVENTH GENERAL ASSEMBLY

70TH LEGISLATIVE DAY

THURSDAY, NOVEMBER 10, 2011

8:46 O'CLOCK A.M.

SENATE
Daily Journal Index
70th Legislative Day

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The Senate met pursuant to adjournment.
 Senator John M. Sullivan, Rushville, Illinois, presiding.
 Prayer by Dr. Patrick Pajak, Illinois Baptist State Association, Springfield, Illinois.
 Senator Jacobs led the Senate in the Pledge of Allegiance.

The Journal of Tuesday, May 17, 2011, was being read when on motion of Senator Hunter, further reading of same was dispensed with, and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

The Journal of Wednesday, May 18, 2011, was being read when on motion of Senator Hunter, further reading of same was dispensed with, and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

The Journal of Thursday, May 19, 2011, was being read when on motion of Senator Hunter, further reading of same was dispensed with, and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

The Journal of Friday, May 20, 2011, was being read when on motion of Senator Hunter, further reading of same was dispensed with, and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

Senator Hunter moved that reading and approval of the Journal of Wednesday, November 9, 2011, be postponed, pending arrival of the printed Journal.
 The motion prevailed.

REPORT RECEIVED

The Secretary placed before the Senate the following report:

Personal Information Protection Act Report, submitted by Northern Illinois University.

The foregoing report was ordered received and placed on file in the Secretary's Office.

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT STATE OF ILLINOIS

JOHN J. CULLERTON
 SENATE PRESIDENT

327 STATE CAPITOL
 SPRINGFIELD, ILLINOIS 62706
 217-782-2728

November 10, 2011

Ms. Jillayne Rock
 Secretary of the Senate
 Room 401 State House
 Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-5(c), I hereby appoint Senator Maggie Crotty to temporarily replace Senator Kimberly Lightford as a member of the Senate Committee on Assignments. This appointment will automatically expire upon adjournment of the Senate Committee on Assignments.

Sincerely,

[November 10, 2011]

s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

- Motion to Concur in House Amendments 1 and 4 to Senate Bill 1865
- Motion to Concur in House Amendment 2 to Senate Bill 1992
- Motion to Concur in House Amendments 1, 2 and 3 to Senate Bill 2458

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 444

Offered by Senator Althoff and all Senators:
Mourns the death of Cuma B. Justus of Woodstock.

SENATE RESOLUTION NO. 445

Offered by Senator Althoff and all Senators:
Mourns the death of Richard C. "Dick" Sorensen of Marengo.

SENATE RESOLUTION NO. 447

Offered by Senator Link and all Senators:
Mourns the death of Edward Davis of Kenosha, Wisconsin, formerly of North Chicago.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator Radogno offered the following Senate Resolution, which was referred to the Committee on Assignments:

SENATE RESOLUTION NO. 446

WHEREAS, The Illinois Unemployment Insurance Trust Fund went into debt during the recent economic recession and will not reach solvency for years to come; and

WHEREAS, The State of Illinois borrowed from the federal government to continue to meet its benefit obligations during the recession; and

WHEREAS, The federal interest waiver on these loans expired in January of 2011 and the State of Illinois has been accruing interest on these federal loans; and

WHEREAS, Representatives of the Illinois business and labor communities met over the last 3 months in an effort to reach a joint agreement on these debt and deficit issues; and

WHEREAS, This working group sought to address the immediate and long term solvency issues of the Illinois Unemployment Insurance Trust Fund; and

WHEREAS, Representatives of business and labor reached an agreement to address the immediate solvency issues of the trust fund and outstanding debt to the federal government, the product of which has been committed as House Amendment 4 and House Amendment 5 to Senate Bill 72 of the 97th

[November 10, 2011]

General Assembly; and

WHEREAS, The Trust Fund debt is not the result of overspending but rather a direct result of an economic downturn that forced employers to reduce their workforce, and as a consequence increased the numbers drawing unemployment benefits in Illinois; and

WHEREAS, A sustainable Unemployment Insurance Trust Fund is necessary to provide an adequate social safety net to the citizens of Illinois and a healthy trust fund is necessary to ameliorate; and

WHEREAS, Unemployment rates in Illinois remain unyieldingly high, and it is in the interest of the people of the State of Illinois for their General Assembly to monitor, study, and correct any shortcomings in the structure and operation of the Illinois Unemployment Insurance Trust Fund; and

WHEREAS, House Amendment 4 and House Amendment 5 to Senate Bill 72 of the 97th General Assembly include specific points in time, specifically in 2016 and again in 2018, at which business and labor representatives will have again worked to realize long term sustainable goals for the State's Unemployment Insurance Trust Fund and the related benefit system; and

WHEREAS, Both business and labor representatives recognize and agree that long-term reforms would benefit the unemployment insurance system in Illinois; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the Illinois Unemployment Insurance Reform Committee is hereby created to study the system of unemployment insurance benefits, trust fund stability, and reforms that interested parties believe are warranted; and be it further

RESOLVED, That within 90 days after the adoption of this resolution the President of the Illinois Senate and the Speaker of the Illinois House shall each appoint 2 representatives of organized labor, and the Minority Leader of the Senate and the Minority Leader of the House shall each appoint 2 representatives of the state's employers; and be it further

RESOLVED, That within 90 days after the adoption of this resolution the President of the Illinois Senate, the Minority Leader of the Senate, the Speaker of the Illinois House, and the Minority Leader of the Illinois House shall each appoint one member of their respective caucuses to the Unemployment Insurance Reform Committee; and be it further

RESOLVED, That the Illinois Department of Employment Security shall provide all necessary and requested technical and advisory assistance to the Reform Committee; and be it further

RESOLVED, That the Illinois Unemployment Insurance Reform Committee shall recommend the structure and reforms necessary to stabilize and ensure an adequate and sound Unemployment Insurance Trust Fund and benefits system for Illinois; and be it further

RESOLVED, That the Illinois Unemployment Insurance Reform Committee shall submit a written report of their activities and recommendations, by majority vote of the members appointed, to the General Assembly by January 1, 2015.

INTRODUCTION OF BILL

SENATE BILL NO. 2529. Introduced by Senator Steans, a bill for AN ACT concerning State government.

The bill was taken up, read by title a first time, ordered printed and referred to the Committee on Assignments.

At the hour of 9:01 o'clock a.m., the Chair announced that the Senate stand at ease.

AT EASE

[November 10, 2011]

At the hour of 9:10 o'clock a.m. the Senate resumed consideration of business.
 Senator Sullivan, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 10, 2011 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committees of the Senate:

Appropriations II: **Motion to Concur in House Amendments 1, 2 and 3 to Senate Bill 2458**

Executive: **Motion to Concur in House Amendments 1 and 4 to Senate Bill 1865**
Motion to Concur in House Amendment 2 to Senate Bill 1992

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 10, 2011 meeting, reported that the Committee recommends that the **Motion to Concur with House Amendment 1 Senate Bill No. 1377** be re-referred from the Committee on Human Services to the Committee on Executive.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 10, 2011 meeting, reported that the Committee recommends that **House Bill No. 508** be re-referred from the Committee on Local Government to the Committee on Executive.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 10, 2011 meeting, reported that the Committee recommends that the **Motion to Concur with House Amendment 2 to Senate Bill No. 92** be re-referred from the Committee on Local Government to the Committee on Executive.

COMMITTEE MEETING ANNOUNCEMENTS

The Chair announced the following committees to meet at 10:10 o'clock a.m.:

Appropriations II in Room 212
 State Government and Veterans Affairs in Room 409

The Chair announced the following committee to meet at 10:25 o'clock a.m.:

Pensions and Investments in Room 400

The Chair announced the following committee to meet at 10:40 o'clock a.m.:

Executive in Room 212

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT STATE OF ILLINOIS

JOHN J. CULLERTON
 SENATE PRESIDENT

327 STATE CAPITOL
 SPRINGFIELD, ILLINOIS 62706
 217-782-2728

[November 10, 2011]

November 10, 2011

Ms. Jillayne Rock
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Terry Link to temporarily replace Senator Jacqueline Collins as a member of the Senate Pensions Committee. This appointment will automatically expire upon adjournment of the Senate Pensions Committee.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

ANNOUNCEMENT ON ATTENDANCE

Senator Dillard announced for the record that Senator Althoff was absent due to a death in the family.

Senator Syverson asked and obtained unanimous consent to recess for the purpose of a Republican caucus.

At the hour of 9:20 o'clock a.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 12:02 o'clock p.m., the Senate resumed consideration of business.
Senator Clayborne, presiding.

LEGISLATIVE MEASURES FILED

The following Floor amendments to the Senate Bill listed below have been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 5 to Senate Bill 747
Senate Floor Amendment No. 6 to Senate Bill 747

REPORTS FROM STANDING COMMITTEES

Senator Holmes, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendments 1, 2, 3 and 4 to Senate Bill 40; Motion to Concur in House Amendment 2 to Senate Bill 1640; Motion to Concur in House Amendments 1 and 2 to Senate Bill 1750

Under the rules, the foregoing motions are eligible for consideration by the Senate.

[November 10, 2011]

Senator Kotowski, Chairperson of the Committee on Appropriations II, to which was referred the Motion to Concur with House Amendment to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendments 1, 2 and 3 to Senate Bill 2458

Under the rules, the foregoing motion is eligible for consideration by the Senate.

Senator Raoul, Chairperson of the Committee on Pensions and Investments, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to House Bill 3375

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **House Bills Numbered 508 and 588**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 2 to Senate Bill 92; Motion to Concur in House Amendment 1 to Senate Bill 1377; Motion to Concur in House Amendments 1 and 4 to Senate Bill 1865; Motion to Concur in House Amendment 2 to Senate Bill 1992

Under the rules, the foregoing motions are eligible for consideration by the Senate.

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 448

Offered by Senator A. Collins and all Senators:

Mourns the death of Anthony L. Smith of Springfield.

SENATE RESOLUTION NO. 449

Offered by Senator Haine and all Senators:

Mourns the death of Margie Marie Tuttle of East Alton.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 49

[November 10, 2011]

WHEREAS, The members of the Illinois General Assembly are saddened to learn of the death of United States Marine Corps Lance Corporal Nickolas Daniels of Elmwood Park, who passed away on November 5, 2011; and

WHEREAS, L. Cpl. Nickolas Daniels graduated from St. Patrick High School in Chicago in 2004; he excelled in sports, especially football, where he played linebacker and made All-Conference his senior year; and

WHEREAS, After high school, L. Cpl. Nickolas Daniels went to college for a semester, but found out it was not for him; he then worked several jobs in Elmwood Park and coached football at his high school alma mater, but decided to join the United States Marine Corps because he believed it would help him reach his goal of becoming a police officer; and

WHEREAS, L. Cpl. Nickolas Daniels served his country with pride as a member of the 3rd Combat Engineer Battalion of the 1st Marine Division, 1 Marine Expeditionary Force out of Twentynine Palms, California; after graduating from basic training in January of 2010, he was sent on his first deployment as a combat engineer on September 4, 2011; and

WHEREAS, L. Cpl. Nickolas Daniels is survived by his parents, Greg and Debi; his siblings, Kati, Billy, and Lonny Daniels; and his fiancée, Katie O'Neil; and

WHEREAS, L. Cpl. Nickolas Daniels' patriotism and courage will be remembered fondly by his loving family, his fellow soldiers, and the citizens of our grateful nation; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that we mourn, along with his family and friends, the passing of United States Marine Corps Lance Corporal Nickolas Daniels; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the family of L. Cpl. Nickolas Daniels as an expression of our sympathy.

Adopted by the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1538

A bill for AN ACT concerning State government.

Together with the following amendments which are attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1538

House Amendment No. 3 to SENATE BILL NO. 1538

Passed the House, as amended, November 10, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1538

AMENDMENT NO. 1. Amend Senate Bill 1538 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the State Healthcare Purchasing Reorganization Act.

[November 10, 2011]

Section 10. Revocation of Executive Order 3 (2005). On January 1, 2012, Executive Order 3 (2005) is superseded by this Act with the exception of Section 1 (renaming the Department of Public Aid as the Department of Healthcare and Family Services), which remains in effect.

Section 15. Transfer back of State healthcare purchasing functions transferred by Executive Order 3 (2005).

(a) On January 1, 2012 or as soon thereafter as practical, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing that were transferred from the Department of Central Management Services, the Department of Corrections, the Department of Human Services, and the Department of Veterans' Affairs to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Departments from which those powers, duties, rights, and responsibilities were transferred; however, powers, duties, rights, and responsibilities related to State healthcare purchasing that were exercised by the Department of Corrections before Executive Order 3 (2005) but that pertain to individuals resident in facilities operated by Department of Juvenile Justice are transferred to the Department of Juvenile Justice.

(b) The functions associated with State healthcare purchasing that are transferred from the Department of Healthcare and Family Services under this Section include, without limitation, the following:

- (1) Rate development and negotiation with hospitals, physicians, and managed care providers.
- (2) Health care procurement development.
- (3) Contract implementation and fiscal monitoring.
- (4) Contract amendments.
- (5) Payment processing.
- (6) Purchasing aspects of health care plans administered by the State on behalf of the following:

(A) State employees. These healthcare purchasing functions include the following health care plans: quality health care plan; managed health care plan; vision plan; pharmacy benefits plan; dental plan; behavioral health plan; employee assistance plan; utilization management plan; and SHIPs and various subrogation agreements. These healthcare purchasing functions also include the purchasing and administration of flu shots, hepatitis B vaccinations, and tuberculosis tests.

(B) Persons other than State employees. These healthcare purchasing functions include the following health care plans: the retired teachers' health insurance plan under the State Employees Group Insurance Act of 1971; the local government health insurance plan under the State Employees Group Insurance Act of 1971; the community colleges health insurance plan under the State Employees Group Insurance Act of 1971; and the active teacher prescription program.

(C) Residents of State-operated facilities, including (i) correctional and youth facilities operated by the Department of Corrections or the Department of Juvenile Justice, (ii) mental health centers and developmental centers operated by the Department of Human Services, and (iii) veterans homes operated by the Department of Veterans' Affairs.

(c) The powers, duties, rights, and responsibilities vested in or associated with State healthcare purchasing are not affected by this Act, except that all management and staff support or other resources necessary to the operation of a State healthcare purchasing function shall be provided by the Department to which that function is transferred under this Act.

Section 20. Representation on boards or other entities. When any provision of an Executive Order or Act provides for the membership of the Director of Healthcare and Family Services on any council, commission, board, or other entity that exercises any of the State healthcare purchasing functions transferred by this Act, the Director or Secretary of the Department to which the State healthcare purchasing function is transferred under this Act, or his or her designee, shall serve in the place of the Director of Healthcare and Family Services, but only with regard to the exercise of the function transferred under this Act. If more than one such person is required by law to serve on any council, commission, board, or other entity, then an equivalent number of the representatives of the Department to which the applicable function is transferred under this Act shall so serve. In addition, any statutory mandate that provides for action on the part of the Director of Healthcare and Family Services relating to a State healthcare purchasing function transferred under this Act shall become the responsibility of the Director or Secretary of the Department to which that function is transferred under this Act.

Section 25. Personnel transferred.

[November 10, 2011]

(a) The status and rights of employees of the Department of Healthcare and Family Services engaged in the performance of State healthcare purchasing functions transferred back to the Department of Central Management Services are not affected by this Act. The status and rights of those employees, and the rights of the State of Illinois and its agencies, under the Personnel Code and applicable collective bargaining agreements or under any pension, retirement, or annuity plan are not affected by this Act. Personnel and positions within the Department of Healthcare and Family Services that are engaged in the performance of State healthcare purchasing functions transferred back to the Department of Central Management Services are transferred to and shall continue their service within the Department of Central Management Services.

(b) Personnel and positions of the Department of Corrections, the Department of Juvenile Justice, the Department of Human Services, and the Department of Veterans' Affairs were not in fact transferred under Executive Order 3 (2005) and are not affected by this Act.

Section 30. Books and records transferred. All books, records, papers, documents, property (real and personal), contracts, and pending business pertaining to the powers, duties, rights, and responsibilities related to any of the State healthcare purchasing functions transferred under this Act from the Department of Healthcare and Family Services to the Department of Central Management Services, the Department of Corrections, the Department of Juvenile Justice, the Department of Human Services, and the Department of Veterans' Affairs, including, but not limited to, material in electronic or magnetic format and necessary computer hardware and software, shall be delivered to the Department to which that State healthcare purchasing function is transferred under this Act, provided that the delivery of that information may not violate any applicable confidentiality constraints. The access by personnel of the Department of Central Management Services, the Department of Corrections, the Department of Juvenile Justice, the Department of Human Services, and the Department of Veterans' Affairs to databases and electronic health information that are currently maintained by the Department of Healthcare and Family Services and that contain data and information necessary to the performance of the State healthcare purchasing functions shall continue in the same manner and level of access as before this Act. Staff of the Department of Central Management Services, the Department of Corrections, the Department of Juvenile Justice, the Department of Human Services, and the Department of Veterans' Affairs may work with staff of the Department of Healthcare and Family Services to add new information relevant to State healthcare purchasing functions.

Section 35. Unexpended moneys transferred.

(a) With respect to the State healthcare purchasing functions transferred under this Act, the Department of Central Management Services is the successor agency to the Department of Healthcare and Family Services under the Successor Agency Act and Section 9b of the State Finance Act. All unexpended appropriations and balances and other moneys available for use in connection with any of the State healthcare purchasing functions transferred from the Department of Healthcare and Family Services to the Department of Central Management Services are transferred for use by the Department of Central Management Services for the exercise of those functions pursuant to the direction of the Governor. Unexpended balances so transferred shall be expended only for the purpose for which the appropriations were originally made.

(b) Appropriations of the Department of Corrections, the Department of Juvenile Justice, the Department of Human Services, and the Department of Veterans' Affairs that were not in fact transferred under Executive Order 3 (2005) are not affected by this Act.

Section 40. Exercise of transferred powers; savings provisions. The powers, duties, rights, and responsibilities related to the State healthcare purchasing functions transferred under this Act are vested in and shall be exercised by the Department to which the applicable function is transferred. Each act done in the exercise of those powers, duties, rights, and responsibilities shall have the same legal effect as if done by the Department of Healthcare and Family Services or its divisions, officers, or employees.

Section 45. Rights, obligations, and duties unaffected by transfer. The transfer of powers, duties, rights, and responsibilities from the Department of Healthcare and Family Services under this Act does not affect any person's rights, obligations, or duties, including any civil or criminal penalties applicable thereto, arising out of those transferred powers, duties, rights, and responsibilities.

Section 50. Agency officers; penalties. Every officer of the Department of Central Management Services, the Department of Corrections, the Department of Juvenile Justice, the Department of Human

Services, and the Department of Veterans' Affairs is, for any offense, subject to the same penalty or penalties, civil or criminal, as are prescribed by existing law for the same offense by any officer whose powers or duties are transferred under this Act.

Section 55. Reports, notices, or papers. Whenever reports or notices are required to be made or given or papers or documents furnished or served by any person to or upon the Department of Healthcare and Family Services in connection with any State healthcare purchasing function transferred under this Act, the same shall be made, given, furnished, or served in the same manner to or upon the Department to which that State healthcare purchasing function is transferred.

Section 60. Acts and actions unaffected by transfer. This Act does not affect any act done, ratified, or canceled, or any right occurring or established, before January 1, 2012, in connection with any State healthcare purchasing function transferred under this Act. This Act does not affect any action or proceeding had or commenced before January 1, 2012, in an administrative, civil, or criminal cause regarding a State healthcare purchasing function transferred from the Department of Healthcare and Family Services under this Act, but any such action or proceeding may be defended, prosecuted, or continued by the Department to which the applicable State healthcare purchasing function is transferred.

Section 900. The State Employees Group Insurance Act of 1971 is amended by adding Sections 2.5 and 5.5 and changing Sections 3, 5, 6.5, 6.10, 10, and 13.1 as follows:

(5 ILCS 375/2.5 new)

Sec. 2.5. State healthcare purchasing. On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Act that were transferred from the Department of Central Management Services to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department.

(5 ILCS 375/3) (from Ch. 127, par. 523)

Sec. 3. Definitions. Unless the context otherwise requires, the following words and phrases as used in this Act shall have the following meanings. The Department may define these and other words and phrases separately for the purpose of implementing specific programs providing benefits under this Act.

(a) "Administrative service organization" means any person, firm or corporation experienced in the handling of claims which is fully qualified, financially sound and capable of meeting the service requirements of a contract of administration executed with the Department.

(b) "Annuitant" means (1) an employee who retires, or has retired, on or after January 1, 1966 on an immediate annuity under the provisions of Articles 2, 14 (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code in lieu of an annuity), 15 (including an employee who has retired under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code; (2) any person who was receiving group insurance coverage under this Act as of March 31, 1978 by reason of his status as an annuitant, even though the annuity in relation to which such coverage was provided is a proportional annuity based on less than the minimum period of service required for a retirement annuity in the system involved; (3) any person not otherwise covered by this Act who has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code; (4) the spouse of any person who is receiving a retirement annuity under Article 18 of the Illinois Pension Code and who is covered under a group health insurance program sponsored by a governmental employer other than the State of Illinois and who has irrevocably elected to waive his or her coverage under this Act and to have his or her spouse considered as the "annuitant" under this Act and not as a "dependent"; or (5) an employee who retires, or has retired, from a qualified position, as determined according to rules promulgated by the Director, under a qualified local government, a qualified rehabilitation facility, a qualified domestic violence shelter or service, or a qualified child advocacy center. (For definition of "retired employee", see (p) post).

(b-5) "New SERS annuitant" means a person who, on or after January 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 14 of the Illinois Pension Code (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of that Code in lieu of an annuity), and is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(b-6) "New SURS annuitant" means a person who (1) on or after January 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under

Article 15 of the Illinois Pension Code, (2) has not made the election authorized under Section 15-135.1 of the Illinois Pension Code, and (3) is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(b-7) "New TRS State annuitant" means a person who, on or after July 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 16 of the Illinois Pension Code based on service as a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of that Code, and is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(c) "Carrier" means (1) an insurance company, a corporation organized under the Limited Health Service Organization Act or the Voluntary Health Services Plan Act, a partnership, or other nongovernmental organization, which is authorized to do group life or group health insurance business in Illinois, or (2) the State of Illinois as a self-insurer.

(d) "Compensation" means salary or wages payable on a regular payroll by the State Treasurer on a warrant of the State Comptroller out of any State, trust or federal fund, or by the Governor of the State through a disbursing officer of the State out of a trust or out of federal funds, or by any Department out of State, trust, federal or other funds held by the State Treasurer or the Department, to any person for personal services currently performed, and ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, or benefits payable under the Workers' Compensation or Occupational Diseases Act or benefits payable under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Compensation" also means salary or wages paid to an employee of any qualified local government, qualified rehabilitation facility, qualified domestic violence shelter or service, or qualified child advocacy center.

(e) "Commission" means the State Employees Group Insurance Advisory Commission authorized by this Act. Commencing July 1, 1984, "Commission" as used in this Act means the Commission on Government Forecasting and Accountability as established by the Legislative Commission Reorganization Act of 1984.

(f) "Contributory", when referred to as contributory coverage, shall mean optional coverages or benefits elected by the member toward the cost of which such member makes contribution, or which are funded in whole or in part through the acceptance of a reduction in earnings or the foregoing of an increase in earnings by an employee, as distinguished from noncontributory coverage or benefits which are paid entirely by the State of Illinois without reduction of the member's salary.

(g) "Department" means any department, institution, board, commission, officer, court or any agency of the State government receiving appropriations and having power to certify payrolls to the Comptroller authorizing payments of salary and wages against such appropriations as are made by the General Assembly from any State fund, or against trust funds held by the State Treasurer and includes boards of trustees of the retirement systems created by Articles 2, 14, 15, 16 and 18 of the Illinois Pension Code. "Department" also includes the Illinois Comprehensive Health Insurance Board, the Board of Examiners established under the Illinois Public Accounting Act, and the Illinois Finance Authority.

(h) "Dependent", when the term is used in the context of the health and life plan, means a member's spouse and any child (1) from birth to age 26 including an adopted child, a child who lives with the member from the time of the filing of a petition for adoption until entry of an order of adoption, a stepchild or adjudicated child, or a child who lives with the member if such member is a court appointed guardian of the child or (2) age 19 or over who is mentally or physically disabled from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child dependent). For the health plan only, the term "dependent" also includes (1) any person enrolled prior to the effective date of this Section who is dependent upon the member to the extent that the member may claim such person as a dependent for income tax deduction purposes and (2) any person who has received after June 30, 2000 an organ transplant and who is financially dependent upon the member and eligible to be claimed as a dependent for income tax purposes. A member requesting to cover any dependent must provide documentation as requested by the Department of Central Management Services and file with the Department any and all forms required by the Department.

(i) "Director" means the Director of the Illinois Department of Central Management Services ~~or of any successor agency designated to administer this Act.~~

(j) "Eligibility period" means the period of time a member has to elect enrollment in programs or to select benefits without regard to age, sex or health.

(k) "Employee" means and includes each officer or employee in the service of a department who (1) receives his compensation for service rendered to the department on a warrant issued pursuant to a

payroll certified by a department or on a warrant or check issued and drawn by a department upon a trust, federal or other fund or on a warrant issued pursuant to a payroll certified by an elected or duly appointed officer of the State or who receives payment of the performance of personal services on a warrant issued pursuant to a payroll certified by a Department and drawn by the Comptroller upon the State Treasurer against appropriations made by the General Assembly from any fund or against trust funds held by the State Treasurer, and (2) is employed full-time or part-time in a position normally requiring actual performance of duty during not less than 1/2 of a normal work period, as established by the Director in cooperation with each department, except that persons elected by popular vote will be considered employees during the entire term for which they are elected regardless of hours devoted to the service of the State, and (3) except that "employee" does not include any person who is not eligible by reason of such person's employment to participate in one of the State retirement systems under Articles 2, 14, 15 (either the regular Article 15 system or the optional retirement program established under Section 15-158.2) or 18, or under paragraph (2), (3), or (5) of Section 16-106, of the Illinois Pension Code, but such term does include persons who are employed during the 6 month qualifying period under Article 14 of the Illinois Pension Code. Such term also includes any person who (1) after January 1, 1966, is receiving ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, (2) receives total permanent or total temporary disability under the Workers' Compensation Act or Occupational Disease Act as a result of injuries sustained or illness contracted in the course of employment with the State of Illinois, or (3) is not otherwise covered under this Act and has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code. However, a person who satisfies the criteria of the foregoing definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code is also an "employee" for the purposes of this Act. "Employee" also includes any person receiving or eligible for benefits under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Employee" also includes (i) each officer or employee in the service of a qualified local government, including persons appointed as trustees of sanitary districts regardless of hours devoted to the service of the sanitary district, (ii) each employee in the service of a qualified rehabilitation facility, (iii) each full-time employee in the service of a qualified domestic violence shelter or service, and (iv) each full-time employee in the service of a qualified child advocacy center, as determined according to rules promulgated by the Director.

(l) "Member" means an employee, annuitant, retired employee or survivor.

(m) "Optional coverages or benefits" means those coverages or benefits available to the member on his or her voluntary election, and at his or her own expense.

(n) "Program" means the group life insurance, health benefits and other employee benefits designed and contracted for by the Director under this Act.

(o) "Health plan" means a health benefits program offered by the State of Illinois for persons eligible for the plan.

(p) "Retired employee" means any person who would be an annuitant as that term is defined herein but for the fact that such person retired prior to January 1, 1966. Such term also includes any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant but for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code.

(q) "Survivor" means a person receiving an annuity as a survivor of an employee or of an annuitant. "Survivor" also includes: (1) the surviving dependent of a person who satisfies the definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; (2) the surviving dependent of any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant except for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; and (3) the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-2) "SERS" means the State Employees' Retirement System of Illinois, created under Article 14 of the Illinois Pension Code.

(q-3) "SURS" means the State Universities Retirement System, created under Article 15 of the Illinois Pension Code.

(q-4) "TRS" means the Teachers' Retirement System of the State of Illinois, created under Article 16 of the Illinois Pension Code.

(q-5) "New SERS survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 14 of the Illinois Pension Code and is based on the death of (i) an employee whose death occurs on or after January 1, 1998, or (ii) a new SERS annuitant as defined in subsection (b-5). "New SERS survivor" includes the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-6) "New SERS survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 15 of the Illinois Pension Code and is based on the death of (i) an employee whose death occurs on or after January 1, 1998, or (ii) a new SERS annuitant as defined in subsection (b-6).

(q-7) "New TRS State survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 16 of the Illinois Pension Code and is based on the death of (i) an employee who is a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of that Code and whose death occurs on or after July 1, 1998, or (ii) a new TRS State annuitant as defined in subsection (b-7).

(r) "Medical services" means the services provided within the scope of their licenses by practitioners in all categories licensed under the Medical Practice Act of 1987.

(s) "Unit of local government" means any county, municipality, township, school district (including a combination of school districts under the Intergovernmental Cooperation Act), special district or other unit, designated as a unit of local government by law, which exercises limited governmental powers or powers in respect to limited governmental subjects, any not-for-profit association with a membership that primarily includes townships and township officials, that has duties that include provision of research service, dissemination of information, and other acts for the purpose of improving township government, and that is funded wholly or partly in accordance with Section 85-15 of the Township Code; any not-for-profit corporation or association, with a membership consisting primarily of municipalities, that operates its own utility system, and provides research, training, dissemination of information, or other acts to promote cooperation between and among municipalities that provide utility services and for the advancement of the goals and purposes of its membership; the Southern Illinois Collegiate Common Market, which is a consortium of higher education institutions in Southern Illinois; the Illinois Association of Park Districts; and any hospital provider that is owned by a county that has 100 or fewer hospital beds and has not already joined the program. "Qualified local government" means a unit of local government approved by the Director and participating in a program created under subsection (i) of Section 10 of this Act.

(t) "Qualified rehabilitation facility" means any not-for-profit organization that is accredited by the Commission on Accreditation of Rehabilitation Facilities or certified by the Department of Human Services (as successor to the Department of Mental Health and Developmental Disabilities) to provide services to persons with disabilities and which receives funds from the State of Illinois for providing those services, approved by the Director and participating in a program created under subsection (j) of Section 10 of this Act.

(u) "Qualified domestic violence shelter or service" means any Illinois domestic violence shelter or service and its administrative offices funded by the Department of Human Services (as successor to the Illinois Department of Public Aid), approved by the Director and participating in a program created under subsection (k) of Section 10.

(v) "TRS benefit recipient" means a person who:

- (1) is not a "member" as defined in this Section; and
- (2) is receiving a monthly benefit or retirement annuity under Article 16 of the Illinois Pension Code; and

(3) either (i) has at least 8 years of creditable service under Article 16 of the Illinois Pension Code, or (ii) was enrolled in the health insurance program offered under that Article on January 1, 1996, or (iii) is the survivor of a benefit recipient who had at least 8 years of creditable service under Article 16 of the Illinois Pension Code or was enrolled in the health insurance program offered under that Article on the effective date of this amendatory Act of 1995, or (iv) is a recipient or survivor of a recipient of a disability benefit under Article 16 of the Illinois Pension Code.

(w) "TRS dependent beneficiary" means a person who:

- (1) is not a "member" or "dependent" as defined in this Section; and

(2) is a TRS benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the TRS benefit recipient, or (C) natural, step, adjudicated, or adopted child who is (i) under age 26, (ii) was, on January 1, 1996, participating as a dependent beneficiary in the health insurance program offered under Article 16 of the Illinois Pension Code, or

(iii) age 19 or over who is mentally or physically disabled from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child).

(x) "Military leave" refers to individuals in basic training for reserves, special/advanced training, annual training, emergency call up, activation by the President of the United States, or any other training or duty in service to the United States Armed Forces.

(y) (Blank).

(z) "Community college benefit recipient" means a person who:

(1) is not a "member" as defined in this Section; and

(2) is receiving a monthly survivor's annuity or retirement annuity under Article 15 of the Illinois Pension Code; and

(3) either (i) was a full-time employee of a community college district or an association of community college boards created under the Public Community College Act (other than an employee whose last employer under Article 15 of the Illinois Pension Code was a community college district subject to Article VII of the Public Community College Act) and was eligible to participate in a group health benefit plan as an employee during the time of employment with a community college district (other than a community college district subject to Article VII of the Public Community College Act) or an association of community college boards, or (ii) is the survivor of a person described in item (i).

(aa) "Community college dependent beneficiary" means a person who:

(1) is not a "member" or "dependent" as defined in this Section; and

(2) is a community college benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the community college benefit recipient, or (C) natural, step, adjudicated, or adopted child who is (i) under age 26, or (ii) age 19 or over and mentally or physically disabled from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child).

(bb) "Qualified child advocacy center" means any Illinois child advocacy center and its administrative offices funded by the Department of Children and Family Services, as defined by the Children's Advocacy Center Act (55 ILCS 80/), approved by the Director and participating in a program created under subsection (n) of Section 10.

(Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07; 96-756, eff. 1-1-10; 96-1519, eff. 2-4-11.)

(5 ILCS 375/5) (from Ch. 127, par. 525)

Sec. 5. Employee benefits; declaration of State policy. The General Assembly declares that it is the policy of the State and in the best interest of the State to assure quality benefits to members and their dependents under this Act. The implementation of this policy depends upon, among other things, stability and continuity of coverage, care, and services under benefit programs for members and their dependents. Specifically, but without limitation, members should have continued access, on substantially similar terms and conditions, to trusted family health care providers with whom they have developed long-term relationships through a benefit program under this Act. Therefore, the Director must administer this Act consistent with that State policy, but may consider affordability, cost of coverage and care, and competition among health insurers and providers. All contracts for provision of employee benefits, including those portions of any proposed collective bargaining agreement that would require implementation through contracts entered into under this Act, are subject to Section 5.5 and the following requirements:

(i) By ~~January~~ ~~April~~ 1 of each year, the Director must report and provide information to the

Commission concerning the status of the employee benefits program to be offered for the next fiscal year. Information includes, but is not limited to, documents, reports of negotiations, bid invitations, requests for proposals, specifications, copies of proposed and final contracts or agreements, and any other materials concerning contracts or agreements for the employee benefits program. By the first of each month thereafter, the Director must provide updated, and any new, information to the Commission until the employee benefits program for the next fiscal year is finalized ~~determined~~. In addition to these monthly reporting requirements, at any time the Commission makes a written request, the Director must promptly, but in no event later than 5 business days after receipt of the request, provide to the Commission any additional requested information in the possession of the Director concerning employee benefits programs. The Commission may waive any of the reporting requirements of this item (i) upon the written request by the Director. Any waiver granted under this item (i) must be in writing. Nothing in this item is intended to abrogate any attorney-client privilege.

(ii) Within 30 days after notice of the awarding or letting of a contract has appeared in the Illinois Procurement Bulletin in accordance with subsection (b) of Section 15-25 of the Illinois Procurement Code, ~~the Commission may request in writing from the Director and~~ the Director shall

promptly, ~~but in no event later than 5 business days after receipt of the request,~~ provide to the Commission information in the possession of the Director concerning the proposed contract. Nothing in this item is intended to waive or abrogate any privilege or right of confidentiality authorized by law.

(iii) No contract subject to this Section may be entered into until the 30-day period described in item (ii) has expired, unless the Director requests in writing that the Commission waive the period and the Commission grants the waiver in writing.

(iv) If the Director seeks to make any substantive modification to any provision of a proposed contract after it is submitted to the Commission in accordance with item (ii), the modified contract shall be subject to the requirements of items (ii) and (iii) unless the Commission agrees, in writing, to a waiver of those requirements with respect to the modified contract.

(v) ~~By April 1 of each year the date of the beginning of the annual benefit choice period,~~ the Director must transmit to the Commission a copy of each ~~final~~ contract or agreement for the employee benefits program to be offered for the next fiscal year. The annual benefit choice period for an employee benefits program must begin on May 1 of the fiscal year preceding the year for which the program is to be offered. If, however, in any such preceding fiscal year collective bargaining over employee benefit programs for the next fiscal year remains pending on April 15, the beginning date of the annual benefit choice period shall be not later than 15 days after ratification of the collective bargaining agreement.

(vi) The Director must provide the reports, information, and contracts required under items (i), (ii), (iv), and (v) by electronic or other means satisfactory to the Commission. Reports, information, and contracts in the possession of the Commission pursuant to items (i), (ii), (iv), and (v) are exempt from disclosure by the Commission and its members and employees under the Freedom of Information Act. Reports, information, and contracts received by the Commission pursuant to items (i), (ii), (iv), and (v) must be kept confidential by and may not be disclosed or used by the Commission or its members or employees if such disclosure or use could compromise the fairness or integrity of the procurement, bidding, or contract process. Commission meetings, or portions of Commission meetings, in which reports, information, and contracts received by the Commission pursuant to items (i), (ii), (iv), and (v) are discussed must be closed if disclosure or use of the report or information could compromise the fairness or integrity of the procurement, bidding, or contract process.

All contracts entered into under this Section are subject to appropriation and shall comply with Section 20-60(b) of the Illinois Procurement Code (30 ILCS 500/20-60(b)).

The Director shall contract or otherwise make available group life insurance, health benefits and other employee benefits to eligible members and, where elected, their eligible dependents. Any contract or, if applicable, contracts or other arrangement for provision of benefits shall be on terms consistent with State policy and based on, but not limited to, such criteria as administrative cost, service capabilities of the carrier or other contractor and premiums, fees or charges as related to benefits.

The Director may prepare and issue specifications for group life insurance, health benefits, other employee benefits and administrative services for the purpose of receiving proposals from interested parties.

The Director is authorized to execute a contract, or contracts, for the programs of group life insurance, health benefits, other employee benefits and administrative services authorized by this Act (including, without limitation, prescription drug benefits). All of the benefits provided under this Act may be included in one or more contracts, or the benefits may be classified into different types with each type included under one or more similar contracts with the same or different companies.

~~Except as otherwise provided in this Act, the~~ ~~the~~ term of any contract may not extend beyond 5 fiscal years. Upon recommendation of the Commission, the Director may exercise renewal options of the same contract for up to a period of 5 years ~~or for an additional period of time, as authorized under Section 5.5.~~ Any increases in premiums, fees or charges requested by a contractor whose contract may be renewed pursuant to a renewal option contained therein, must be justified on the basis of (1) audited experience data, (2) increases in the costs of health care services provided under the contract, (3) contractor performance, (4) increases in contractor responsibilities, or (5) any combination thereof.

Any contractor shall agree to abide by all requirements of this Act and Rules and Regulations promulgated and adopted thereto; to submit such information and data as may from time to time be deemed necessary by the Director for effective administration of the provisions of this Act and the programs established hereunder, and to fully cooperate in any audit.

(Source: P.A. 93-839, eff. 7-30-04.)

(5 ILCS 375/5.5 new)

Sec. 5.5. State healthcare purchasing oversight; timely provision of health benefits.

(a) If, after reviewing the information submitted to it under item (ii) of Section 5 of this Act, the Commission makes a formal written determination that a proposed contract inadequately balances the policies identified in Section 5 of this Act, then the Commission may disapprove the proposed contract at any time before it is finalized. If the Commission disapproves a proposed contract, then that proposed contract may not be finalized unless subsequently approved by a joint resolution of the General Assembly.

(b) If, within 90 days before the start of a fiscal year, the Chief Procurement Officer responsible for awarding group health insurance contracts under this Act has not finalized all written contracts for the provision of group health insurance benefits under this Act for the coming fiscal year, then the Commission may direct the Chief Procurement Officer (i) not to finalize any proposed group health insurance contracts for that fiscal year, as well as associated requests for proposals, and (ii) to seek to extend existing contracts for those benefits for a term of 2 additional years.

(5 ILCS 375/6.5)

Sec. 6.5. Health benefits for TRS benefit recipients and TRS dependent beneficiaries.

(a) Purpose. It is the purpose of this amendatory Act of 1995 to transfer the administration of the program of health benefits established for benefit recipients and their dependent beneficiaries under Article 16 of the Illinois Pension Code to the Department of Central Management Services.

(b) Transition provisions. The Board of Trustees of the Teachers' Retirement System shall continue to administer the health benefit program established under Article 16 of the Illinois Pension Code through December 31, 1995. Beginning January 1, 1996, the Department of Central Management Services shall be responsible for administering a program of health benefits for TRS benefit recipients and TRS dependent beneficiaries under this Section. The Department of Central Management Services and the Teachers' Retirement System shall cooperate in this endeavor and shall coordinate their activities so as to ensure a smooth transition and uninterrupted health benefit coverage.

(c) Eligibility. All persons who were enrolled in the Article 16 program at the time of the transfer shall be eligible to participate in the program established under this Section without any interruption or delay in coverage or limitation as to pre-existing medical conditions. Eligibility to participate shall be determined by the Teachers' Retirement System. Eligibility information shall be communicated to the Department of Central Management Services in a format acceptable to the Department.

A TRS dependent beneficiary who is a child age 19 or over and mentally or physically disabled does not become ineligible to participate by reason of (i) becoming ineligible to be claimed as a dependent for Illinois or federal income tax purposes or (ii) receiving earned income, so long as those earnings are insufficient for the child to be fully self-sufficient.

(d) Coverage. The level of health benefits provided under this Section shall be similar to the level of benefits provided by the program previously established under Article 16 of the Illinois Pension Code.

Group life insurance benefits are not included in the benefits to be provided to TRS benefit recipients and TRS dependent beneficiaries under this Act.

The program of health benefits under this Section may include any or all of the benefit limitations, including but not limited to a reduction in benefits based on eligibility for federal medicare benefits, that are provided under subsection (a) of Section 6 of this Act for other health benefit programs under this Act.

(e) Insurance rates and premiums. The Director shall determine the insurance rates and premiums for TRS benefit recipients and TRS dependent beneficiaries, and shall present to the Teachers' Retirement System of the State of Illinois, by April 15 of each calendar year, the rate-setting methodology (including but not limited to utilization levels and costs) used to determine the amount of the health care premiums.

For Fiscal Year 1996, the premium shall be equal to the premium actually charged in Fiscal Year 1995; in subsequent years, the premium shall never be lower than the premium charged in Fiscal Year 1995.

For Fiscal Year 2003, the premium shall not exceed 110% of the premium actually charged in Fiscal Year 2002.

For Fiscal Year 2004, the premium shall not exceed 112% of the premium actually charged in Fiscal Year 2003.

For Fiscal Year 2005, the premium shall not exceed a weighted average of 106.6% of the premium actually charged in Fiscal Year 2004.

For Fiscal Year 2006, the premium shall not exceed a weighted average of 109.1% of the premium actually charged in Fiscal Year 2005.

For Fiscal Year 2007, the premium shall not exceed a weighted average of 103.9% of the premium actually charged in Fiscal Year 2006.

For Fiscal Year 2008 and thereafter, the premium in each fiscal year shall not exceed 105% of the premium actually charged in the previous fiscal year.

Rates and premiums may be based in part on age and eligibility for federal medicare coverage. However, the cost of participation for a TRS dependent beneficiary who is an unmarried child age 19 or over and mentally or physically disabled shall not exceed the cost for a TRS dependent beneficiary who is an unmarried child under age 19 and participates in the same major medical or managed care program.

The cost of health benefits under the program shall be paid as follows:

(1) For a TRS benefit recipient selecting a managed care program, up to 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund. Effective with Fiscal Year 2007 and thereafter, for a TRS benefit recipient selecting a managed care program, 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund.

(2) For a TRS benefit recipient selecting the major medical coverage program, up to 50% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is accessible, as determined by the Teachers' Retirement System. Effective with Fiscal Year 2007 and thereafter, for a TRS benefit recipient selecting the major medical coverage program, 50% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is accessible, as determined by the Department of Central Management Services.

(3) For a TRS benefit recipient selecting the major medical coverage program, up to 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is not accessible, as determined by the Teachers' Retirement System. Effective with Fiscal Year 2007 and thereafter, for a TRS benefit recipient selecting the major medical coverage program, 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is not accessible, as determined by the Department of Central Management Services.

(3.1) For a TRS dependent beneficiary who is Medicare primary and enrolled in a managed care plan, or the major medical coverage program if a managed care plan is not available, 25% of the total insurance rate shall be paid from the Teacher Health Security Fund as determined by the Department of Central Management Services. For the purpose of this item (3.1), the term "TRS dependent beneficiary who is Medicare primary" means a TRS dependent beneficiary who is participating in Medicare Parts A and B.

(4) Except as otherwise provided in item (3.1), the balance of the rate of insurance, including the entire premium of any coverage for TRS dependent beneficiaries that has been elected, shall be paid by deductions authorized by the TRS benefit recipient to be withheld from his or her monthly annuity or benefit payment from the Teachers' Retirement System; except that (i) if the balance of the cost of coverage exceeds the amount of the monthly annuity or benefit payment, the difference shall be paid directly to the Teachers' Retirement System by the TRS benefit recipient, and (ii) all or part of the balance of the cost of coverage may, at the school board's option, be paid to the Teachers' Retirement System by the school board of the school district from which the TRS benefit recipient retired, in accordance with Section 10-22.3b of the School Code. The Teachers' Retirement System shall promptly deposit all moneys withheld by or paid to it under this subdivision (e)(4) into the Teacher Health Insurance Security Fund. These moneys shall not be considered assets of the Retirement System.

(f) Financing. Beginning July 1, 1995, all revenues arising from the administration of the health benefit programs established under Article 16 of the Illinois Pension Code or this Section shall be deposited into the Teacher Health Insurance Security Fund, which is hereby created as a nonappropriated trust fund to be held outside the State Treasury, with the State Treasurer as custodian. Any interest earned on moneys in the Teacher Health Insurance Security Fund shall be deposited into the Fund.

Moneys in the Teacher Health Insurance Security Fund shall be used only to pay the costs of the health benefit program established under this Section, including associated administrative costs, and the costs associated with the health benefit program established under Article 16 of the Illinois Pension Code, as authorized in this Section. Beginning July 1, 1995, the Department of Central Management Services may make expenditures from the Teacher Health Insurance Security Fund for those costs.

After other funds authorized for the payment of the costs of the health benefit program established under Article 16 of the Illinois Pension Code are exhausted and until January 1, 1996 (or such later date as may be agreed upon by the Director of Central Management Services and the Secretary of the Teachers' Retirement System), the Secretary of the Teachers' Retirement System may make expenditures from the Teacher Health Insurance Security Fund as necessary to pay up to 75% of the cost of providing health coverage to eligible benefit recipients (as defined in Sections 16-153.1 and 16-153.3 of the Illinois

Pension Code) who are enrolled in the Article 16 health benefit program and to facilitate the transfer of administration of the health benefit program to the Department of Central Management Services.

The Department of ~~Central Management Healthcare and Family~~ Services, or any successor agency designated to procure healthcare contracts pursuant to this Act, is authorized to establish funds, separate accounts provided by any bank or banks as defined by the Illinois Banking Act, or separate accounts provided by any savings and loan association or associations as defined by the Illinois Savings and Loan Act of 1985 to be held by the Director, outside the State treasury, for the purpose of receiving the transfer of moneys from the Teacher Health Insurance Security Fund. The Department may promulgate rules further defining the methodology for the transfers. Any interest earned by moneys in the funds or accounts shall inure to the Teacher Health Insurance Security Fund. The transferred moneys, and interest accrued thereon, shall be used exclusively for transfers to administrative service organizations or their financial institutions for payments of claims to claimants and providers under the self-insurance health plan. The transferred moneys, and interest accrued thereon, shall not be used for any other purpose including, but not limited to, reimbursement of administration fees due the administrative service organization pursuant to its contract or contracts with the Department.

(g) Contract for benefits. The Director shall by contract, self-insurance, or otherwise make available the program of health benefits for TRS benefit recipients and their TRS dependent beneficiaries that is provided for in this Section. The contract or other arrangement for the provision of these health benefits shall be on terms deemed by the Director to be in the best interest of the State of Illinois and the TRS benefit recipients based on, but not limited to, such criteria as administrative cost, service capabilities of the carrier or other contractor, and the costs of the benefits.

(g-5) Committee. A Teacher Retirement Insurance Program Committee shall be established, to consist of 10 persons appointed by the Governor.

The Committee shall convene at least 4 times each year, and shall consider and make recommendations on issues affecting the program of health benefits provided under this Section. Recommendations of the Committee shall be based on a consensus of the members of the Committee.

If the Teacher Health Insurance Security Fund experiences a deficit balance based upon the contribution and subsidy rates established in this Section and Section 6.6 for Fiscal Year 2008 or thereafter, the Committee shall make recommendations for adjustments to the funding sources established under these Sections.

(h) Continuation of program. It is the intention of the General Assembly that the program of health benefits provided under this Section be maintained on an ongoing, affordable basis.

The program of health benefits provided under this Section may be amended by the State and is not intended to be a pension or retirement benefit subject to protection under Article XIII, Section 5 of the Illinois Constitution.

(i) Repeal. (Blank).

(Source: P.A. 95-632, eff. 9-25-07; 96-1519, eff. 2-4-11.)

(5 ILCS 375/6.10)

Sec. 6.10. Contributions to the Community College Health Insurance Security Fund.

(a) Beginning January 1, 1999, every active contributor of the State Universities Retirement System (established under Article 15 of the Illinois Pension Code) who (1) is a full-time employee of a community college district (other than a community college district subject to Article VII of the Public Community College Act) or an association of community college boards and (2) is not an employee as defined in Section 3 of this Act shall make contributions toward the cost of community college annuitant and survivor health benefits at the rate of 0.50% of salary.

These contributions shall be deducted by the employer and paid to the State Universities Retirement System as service agent for the Department of Central Management Services. The System may use the same processes for collecting the contributions required by this subsection that it uses to collect the contributions received from those employees under Section 15-157 of the Illinois Pension Code. An employer may agree to pick up or pay the contributions required under this subsection on behalf of the employee; such contributions shall be deemed to have been paid by the employee.

The State Universities Retirement System shall promptly deposit all moneys collected under this subsection (a) into the Community College Health Insurance Security Fund created in Section 6.9 of this Act. The moneys collected under this Section shall be used only for the purposes authorized in Section 6.9 of this Act and shall not be considered to be assets of the State Universities Retirement System. Contributions made under this Section are not transferable to other pension funds or retirement systems and are not refundable upon termination of service.

(b) Beginning January 1, 1999, every community college district (other than a community college district subject to Article VII of the Public Community College Act) or association of community

college boards that is an employer under the State Universities Retirement System shall contribute toward the cost of the community college health benefits provided under Section 6.9 of this Act an amount equal to 0.50% of the salary paid to its full-time employees who participate in the State Universities Retirement System and are not members as defined in Section 3 of this Act.

These contributions shall be paid by the employer to the State Universities Retirement System as service agent for the Department of Central Management Services. The System may use the same processes for collecting the contributions required by this subsection that it uses to collect the contributions received from those employers under Section 15-155 of the Illinois Pension Code.

The State Universities Retirement System shall promptly deposit all moneys collected under this subsection (b) into the Community College Health Insurance Security Fund created in Section 6.9 of this Act. The moneys collected under this Section shall be used only for the purposes authorized in Section 6.9 of this Act and shall not be considered to be assets of the State Universities Retirement System. Contributions made under this Section are not transferable to other pension funds or retirement systems and are not refundable upon termination of service.

The Department of ~~Central Management~~ ~~Healthcare and Family~~ Services, or any successor agency designated to procure healthcare contracts pursuant to this Act, is authorized to establish funds, separate accounts provided by any bank or banks as defined by the Illinois Banking Act, or separate accounts provided by any savings and loan association or associations as defined by the Illinois Savings and Loan Act of 1985 to be held by the Director, outside the State treasury, for the purpose of receiving the transfer of moneys from the Community College Health Insurance Security Fund. The Department may promulgate rules further defining the methodology for the transfers. Any interest earned by moneys in the funds or accounts shall inure to the Community College Health Insurance Security Fund. The transferred moneys, and interest accrued thereon, shall be used exclusively for transfers to administrative service organizations or their financial institutions for payments of claims to claimants and providers under the self-insurance health plan. The transferred moneys, and interest accrued thereon, shall not be used for any other purpose including, but not limited to, reimbursement of administration fees due the administrative service organization pursuant to its contract or contracts with the Department.

(c) On or before November 15 of each year, the Board of Trustees of the State Universities Retirement System shall certify to the Governor, the Director of Central Management Services, and the State Comptroller its estimate of the total amount of contributions to be paid under subsection (a) of this Section for the next fiscal year. Beginning in fiscal year 2008, the amount certified shall be decreased or increased each year by the amount that the actual active employee contributions either fell short of or exceeded the estimate used by the Board in making the certification for the previous fiscal year. The State Universities Retirement System shall calculate the amount of actual active employee contributions in fiscal years 1999 through 2005. Based upon this calculation, the fiscal year 2008 certification shall include an amount equal to the cumulative amount that the actual active employee contributions either fell short of or exceeded the estimate used by the Board in making the certification for those fiscal years. The certification shall include a detailed explanation of the methods and information that the Board relied upon in preparing its estimate. As soon as possible after the effective date of this Section, the Board shall submit its estimate for fiscal year 1999.

(d) Beginning in fiscal year 1999, on the first day of each month, or as soon thereafter as may be practical, the State Treasurer and the State Comptroller shall transfer from the General Revenue Fund to the Community College Health Insurance Security Fund 1/12 of the annual amount appropriated for that fiscal year to the State Comptroller for deposit into the Community College Health Insurance Security Fund under Section 1.4 of the State Pension Funds Continuing Appropriation Act.

(e) Except where otherwise specified in this Section, the definitions that apply to Article 15 of the Illinois Pension Code apply to this Section.

(Source: P.A. 94-839, eff. 6-6-06; 95-632, eff. 9-25-07.)

(5 ILCS 375/10) (from Ch. 127, par. 530)

Sec. 10. Payments by State; premiums.

(a) The State shall pay the cost of basic non-contributory group life insurance and, subject to member paid contributions set by the Department or required by this Section, the basic program of group health benefits on each eligible member, except a member, not otherwise covered by this Act, who has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code, and part of each eligible member's and retired member's premiums for health insurance coverage for enrolled dependents as provided by Section 9. The State shall pay the cost of the basic program of group health benefits only after benefits are reduced by the amount of benefits covered by Medicare for all members and dependents who are eligible for benefits under Social Security or the Railroad Retirement system or who had sufficient

Medicare-covered government employment, except that such reduction in benefits shall apply only to those members and dependents who (1) first become eligible for such Medicare coverage on or after July 1, 1992; or (2) are Medicare-eligible members or dependents of a local government unit which began participation in the program on or after July 1, 1992; or (3) remain eligible for, but no longer receive Medicare coverage which they had been receiving on or after July 1, 1992. The Department may determine the aggregate level of the State's contribution on the basis of actual cost of medical services adjusted for age, sex or geographic or other demographic characteristics which affect the costs of such programs.

The cost of participation in the basic program of group health benefits for the dependent or survivor of a living or deceased retired employee who was formerly employed by the University of Illinois in the Cooperative Extension Service and would be an annuitant but for the fact that he or she was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code shall not be greater than the cost of participation that would otherwise apply to that dependent or survivor if he or she were the dependent or survivor of an annuitant under the State Universities Retirement System.

(a-1) Beginning January 1, 1998, for each person who becomes a new SERS annuitant and participates in the basic program of group health benefits, the State shall contribute toward the cost of the annuitant's coverage under the basic program of group health benefits an amount equal to 5% of that cost for each full year of creditable service upon which the annuitant's retirement annuity is based, up to a maximum of 100% for an annuitant with 20 or more years of creditable service. The remainder of the cost of a new SERS annuitant's coverage under the basic program of group health benefits shall be the responsibility of the annuitant. In the case of a new SERS annuitant who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code in lieu of an annuity, for the purposes of this subsection the annuitant shall be deemed to be receiving a retirement annuity based on the number of years of creditable service that the annuitant had established at the time of his or her termination of service under SERS.

(a-2) Beginning January 1, 1998, for each person who becomes a new SERS survivor and participates in the basic program of group health benefits, the State shall contribute toward the cost of the survivor's coverage under the basic program of group health benefits an amount equal to 5% of that cost for each full year of the deceased employee's or deceased annuitant's creditable service in the State Employees' Retirement System of Illinois on the date of death, up to a maximum of 100% for a survivor of an employee or annuitant with 20 or more years of creditable service. The remainder of the cost of the new SERS survivor's coverage under the basic program of group health benefits shall be the responsibility of the survivor. In the case of a new SERS survivor who was the dependent of an annuitant who elected to receive an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code in lieu of an annuity, for the purposes of this subsection the deceased annuitant's creditable service shall be determined as of the date of termination of service rather than the date of death.

(a-3) Beginning January 1, 1998, for each person who becomes a new SERS annuitant and participates in the basic program of group health benefits, the State shall contribute toward the cost of the annuitant's coverage under the basic program of group health benefits an amount equal to 5% of that cost for each full year of creditable service upon which the annuitant's retirement annuity is based, up to a maximum of 100% for an annuitant with 20 or more years of creditable service. The remainder of the cost of a new SERS annuitant's coverage under the basic program of group health benefits shall be the responsibility of the annuitant.

(a-4) (Blank).

(a-5) Beginning January 1, 1998, for each person who becomes a new SERS survivor and participates in the basic program of group health benefits, the State shall contribute toward the cost of the survivor's coverage under the basic program of group health benefits an amount equal to 5% of that cost for each full year of the deceased employee's or deceased annuitant's creditable service in the State Universities Retirement System on the date of death, up to a maximum of 100% for a survivor of an employee or annuitant with 20 or more years of creditable service. The remainder of the cost of the new SERS survivor's coverage under the basic program of group health benefits shall be the responsibility of the survivor.

(a-6) Beginning July 1, 1998, for each person who becomes a new TRS State annuitant and participates in the basic program of group health benefits, the State shall contribute toward the cost of the annuitant's coverage under the basic program of group health benefits an amount equal to 5% of that cost for each full year of creditable service as a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of the Illinois Pension Code upon which the annuitant's retirement annuity is based, up to a maximum of 100%; except that the State contribution shall be 12.5% per year (rather than 5%) for each

full year of creditable service as a regional superintendent or assistant regional superintendent of schools. The remainder of the cost of a new TRS State annuitant's coverage under the basic program of group health benefits shall be the responsibility of the annuitant.

(a-7) Beginning July 1, 1998, for each person who becomes a new TRS State survivor and participates in the basic program of group health benefits, the State shall contribute toward the cost of the survivor's coverage under the basic program of group health benefits an amount equal to 5% of that cost for each full year of the deceased employee's or deceased annuitant's creditable service as a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of the Illinois Pension Code on the date of death, up to a maximum of 100%; except that the State contribution shall be 12.5% per year (rather than 5%) for each full year of the deceased employee's or deceased annuitant's creditable service as a regional superintendent or assistant regional superintendent of schools. The remainder of the cost of the new TRS State survivor's coverage under the basic program of group health benefits shall be the responsibility of the survivor.

(a-8) A new SERS annuitant, new SERS survivor, new SURS annuitant, new SURS survivor, new TRS State annuitant, or new TRS State survivor may waive or terminate coverage in the program of group health benefits. Any such annuitant or survivor who has waived or terminated coverage may enroll or re-enroll in the program of group health benefits only during the annual benefit choice period, as determined by the Director; except that in the event of termination of coverage due to nonpayment of premiums, the annuitant or survivor may not re-enroll in the program.

(a-9) No later than May 1 of each calendar year, the Director of Central Management Services shall certify in writing to the Executive Secretary of the State Employees' Retirement System of Illinois the amounts of the Medicare supplement health care premiums and the amounts of the health care premiums for all other retirees who are not Medicare eligible.

A separate calculation of the premiums based upon the actual cost of each health care plan shall be so certified.

The Director of Central Management Services shall provide to the Executive Secretary of the State Employees' Retirement System of Illinois such information, statistics, and other data as he or she may require to review the premium amounts certified by the Director of Central Management Services.

The Department of ~~Central Management Healthcare and Family~~ Services, or any successor agency designated to procure healthcare contracts pursuant to this Act, is authorized to establish funds, separate accounts provided by any bank or banks as defined by the Illinois Banking Act, or separate accounts provided by any savings and loan association or associations as defined by the Illinois Savings and Loan Act of 1985 to be held by the Director, outside the State treasury, for the purpose of receiving the transfer of moneys from the Local Government Health Insurance Reserve Fund. The Department may promulgate rules further defining the methodology for the transfers. Any interest earned by moneys in the funds or accounts shall inure to the Local Government Health Insurance Reserve Fund. The transferred moneys, and interest accrued thereon, shall be used exclusively for transfers to administrative service organizations or their financial institutions for payments of claims to claimants and providers under the self-insurance health plan. The transferred moneys, and interest accrued thereon, shall not be used for any other purpose including, but not limited to, reimbursement of administration fees due the administrative service organization pursuant to its contract or contracts with the Department.

(b) State employees who become eligible for this program on or after January 1, 1980 in positions normally requiring actual performance of duty not less than 1/2 of a normal work period but not equal to that of a normal work period, shall be given the option of participating in the available program. If the employee elects coverage, the State shall contribute on behalf of such employee to the cost of the employee's benefit and any applicable dependent supplement, that sum which bears the same percentage as that percentage of time the employee regularly works when compared to normal work period.

(c) The basic non-contributory coverage from the basic program of group health benefits shall be continued for each employee not in pay status or on active service by reason of (1) leave of absence due to illness or injury, (2) authorized educational leave of absence or sabbatical leave, or (3) military leave. This coverage shall continue until expiration of authorized leave and return to active service, but not to exceed 24 months for leaves under item (1) or (2). This 24-month limitation and the requirement of returning to active service shall not apply to persons receiving ordinary or accidental disability benefits or retirement benefits through the appropriate State retirement system or benefits under the Workers' Compensation or Occupational Disease Act.

(d) The basic group life insurance coverage shall continue, with full State contribution, where such person is (1) absent from active service by reason of disability arising from any cause other than self-inflicted, (2) on authorized educational leave of absence or sabbatical leave, or (3) on military leave.

(e) Where the person is in non-pay status for a period in excess of 30 days or on leave of absence,

other than by reason of disability, educational or sabbatical leave, or military leave, such person may continue coverage only by making personal payment equal to the amount normally contributed by the State on such person's behalf. Such payments and coverage may be continued: (1) until such time as the person returns to a status eligible for coverage at State expense, but not to exceed 24 months or (2) until such person's employment or annuitant status with the State is terminated (exclusive of any additional service imposed pursuant to law).

(f) The Department shall establish by rule the extent to which other employee benefits will continue for persons in non-pay status or who are not in active service.

(g) The State shall not pay the cost of the basic non-contributory group life insurance, program of health benefits and other employee benefits for members who are survivors as defined by paragraphs (1) and (2) of subsection (q) of Section 3 of this Act. The costs of benefits for these survivors shall be paid by the survivors or by the University of Illinois Cooperative Extension Service, or any combination thereof. However, the State shall pay the amount of the reduction in the cost of participation, if any, resulting from the amendment to subsection (a) made by this amendatory Act of the 91st General Assembly.

(h) Those persons occupying positions with any department as a result of emergency appointments pursuant to Section 8b.8 of the Personnel Code who are not considered employees under this Act shall be given the option of participating in the programs of group life insurance, health benefits and other employee benefits. Such persons electing coverage may participate only by making payment equal to the amount normally contributed by the State for similarly situated employees. Such amounts shall be determined by the Director. Such payments and coverage may be continued until such time as the person becomes an employee pursuant to this Act or such person's appointment is terminated.

(i) Any unit of local government within the State of Illinois may apply to the Director to have its employees, annuitants, and their dependents provided group health coverage under this Act on a non-insured basis. To participate, a unit of local government must agree to enroll all of its employees, who may select coverage under either the State group health benefits plan or a health maintenance organization that has contracted with the State to be available as a health care provider for employees as defined in this Act. A unit of local government must remit the entire cost of providing coverage under the State group health benefits plan or, for coverage under a health maintenance organization, an amount determined by the Director based on an analysis of the sex, age, geographic location, or other relevant demographic variables for its employees, except that the unit of local government shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the unit of local government attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan, and (2) at least 50% of the employees are enrolled and the unit of local government remits the entire cost of providing coverage to those employees, except that a participating school district must have enrolled at least 50% of its full-time employees who have not waived coverage under the district's group health plan by participating in a component of the district's cafeteria plan. A participating school district is not required to enroll a full-time employee who has waived coverage under the district's health plan, provided that an appropriate official from the participating school district attests that the full-time employee has waived coverage by participating in a component of the district's cafeteria plan. For the purposes of this subsection, "participating school district" includes a unit of local government whose primary purpose is education as defined by the Department's rules.

Employees of a participating unit of local government who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period. A participating unit of local government may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with the costs paid by the unit of local government, its employees, or some combination of the two as determined by the unit of local government. The unit of local government shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine monthly rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages, or contributed by the State for basic insurance coverages on behalf of its employees, adjusted for differences between State employees and employees of the local government in age, sex, geographic location or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the unit of local government and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior

years' claims experience of the employees of the unit of local government.

In the case of coverage of local government employees under a health maintenance organization, the Director shall annually determine for each participating unit of local government the maximum monthly amount the unit may contribute toward that coverage, based on an analysis of (i) the age, sex, geographic location, and other relevant demographic variables of the unit's employees and (ii) the cost to cover those employees under the State group health benefits plan. The Director may similarly determine the maximum monthly amount each unit of local government may contribute toward coverage of its employees' dependents under a health maintenance organization.

Monthly payments by the unit of local government or its employees for group health benefits plan or health maintenance organization coverage shall be deposited in the Local Government Health Insurance Reserve Fund.

The Local Government Health Insurance Reserve Fund is hereby created as a nonappropriated trust fund to be held outside the State Treasury, with the State Treasurer as custodian. The Local Government Health Insurance Reserve Fund shall be a continuing fund not subject to fiscal year limitations. The Local Government Health Insurance Reserve Fund is not subject to administrative charges or charge-backs, including but not limited to those authorized under Section 8h of the State Finance Act. All revenues arising from the administration of the health benefits program established under this Section shall be deposited into the Local Government Health Insurance Reserve Fund. Any interest earned on moneys in the Local Government Health Insurance Reserve Fund shall be deposited into the Fund. All expenditures from this Fund shall be used for payments for health care benefits for local government and rehabilitation facility employees, annuitants, and dependents, and to reimburse the Department or its administrative service organization for all expenses incurred in the administration of benefits. No other State funds may be used for these purposes.

A local government employer's participation or desire to participate in a program created under this subsection shall not limit that employer's duty to bargain with the representative of any collective bargaining unit of its employees.

(j) Any rehabilitation facility within the State of Illinois may apply to the Director to have its employees, annuitants, and their eligible dependents provided group health coverage under this Act on a non-insured basis. To participate, a rehabilitation facility must agree to enroll all of its employees and remit the entire cost of providing such coverage for its employees, except that the rehabilitation facility shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the rehabilitation facility attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan, and (2) at least 50% of the employees are enrolled and the rehabilitation facility remits the entire cost of providing coverage to those employees. Employees of a participating rehabilitation facility who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period. A participating rehabilitation facility may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with the costs paid by the rehabilitation facility, its employees, or some combination of the 2 as determined by the rehabilitation facility. The rehabilitation facility shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine quarterly rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages on behalf of its employees, adjusted for differences between State employees and employees of the rehabilitation facility in age, sex, geographic location or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the rehabilitation facility and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the rehabilitation facility.

Monthly payments by the rehabilitation facility or its employees for group health benefits shall be deposited in the Local Government Health Insurance Reserve Fund.

(k) Any domestic violence shelter or service within the State of Illinois may apply to the Director to have its employees, annuitants, and their dependents provided group health coverage under this Act on a non-insured basis. To participate, a domestic violence shelter or service must agree to enroll all of its employees and pay the entire cost of providing such coverage for its employees. The domestic violence shelter shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate

official from the domestic violence shelter attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan and (2) at least 50% of the employees are enrolled and the domestic violence shelter remits the entire cost of providing coverage to those employees. Employees of a participating domestic violence shelter who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, or special circumstance as defined by the Director or during the annual Benefit Choice Period. A participating domestic violence shelter may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with employees, or some combination of the 2 as determined by the domestic violence shelter or service. The domestic violence shelter or service shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages on behalf of its employees, adjusted for differences between State employees and employees of the domestic violence shelter or service in age, sex, geographic location or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the domestic violence shelter or service and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the domestic violence shelter or service.

Monthly payments by the domestic violence shelter or service or its employees for group health insurance shall be deposited in the Local Government Health Insurance Reserve Fund.

(l) A public community college or entity organized pursuant to the Public Community College Act may apply to the Director initially to have only annuitants not covered prior to July 1, 1992 by the district's health plan provided health coverage under this Act on a non-insured basis. The community college must execute a 2-year contract to participate in the Local Government Health Plan. Any annuitant may enroll in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period.

The Director shall annually determine monthly rates of payment subject to the following constraints: for those community colleges with annuitants only enrolled, first year rates shall be equal to the average cost to cover claims for a State member adjusted for demographics, Medicare participation, and other factors; and in the second year, a further adjustment of rates shall be made to reflect the actual first year's claims experience of the covered annuitants.

(l-5) The provisions of subsection (l) become inoperative on July 1, 1999.

(m) The Director shall adopt any rules deemed necessary for implementation of this amendatory Act of 1989 (Public Act 86-978).

(n) Any child advocacy center within the State of Illinois may apply to the Director to have its employees, annuitants, and their dependents provided group health coverage under this Act on a non-insured basis. To participate, a child advocacy center must agree to enroll all of its employees and pay the entire cost of providing coverage for its employees. The child advocacy center shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the child advocacy center attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan and (2) at least 50% of the employees are enrolled and the child advocacy center remits the entire cost of providing coverage to those employees. Employees of a participating child advocacy center who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, or special circumstance as defined by the Director or during the annual Benefit Choice Period. A participating child advocacy center may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with the costs paid by the child advocacy center, its employees, or some combination of the 2 as determined by the child advocacy center. The child advocacy center shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages on behalf of its employees, adjusted for differences between State employees and employees of the child advocacy center in age, sex, geographic location, or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the child advocacy center and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the child advocacy center.

Monthly payments by the child advocacy center or its employees for group health insurance shall be deposited into the Local Government Health Insurance Reserve Fund.

(Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07; 95-707, eff. 1-11-08; 96-756, eff. 1-1-10; 96-1232, eff. 7-23-10; 96-1519, eff. 2-4-11.)

(5 ILCS 375/13.1) (from Ch. 127, par. 533.1)

Sec. 13.1. (a) All contributions, appropriations, interest, and dividend payments to fund the program of health benefits and other employee benefits, and all other revenues arising from the administration of any employee health benefits program, shall be deposited in a trust fund outside the State Treasury, with the State Treasurer as ex-officio custodian, to be known as the Health Insurance Reserve Fund.

(b) Upon the adoption of a self-insurance health plan, any monies attributable to the group health insurance program shall be deposited in or transferred to the Health Insurance Reserve Fund for use by the Department. As of the effective date of this amendatory Act of 1986, the Department shall certify to the Comptroller the amount of money in the Group Insurance Premium Fund attributable to the State group health insurance program and the Comptroller shall transfer such money from the Group Insurance Premium Fund to the Health Insurance Reserve Fund. Contributions by the State to the Health Insurance Reserve Fund to meet the requirements of this Act, as established by the Director, from the General Revenue Fund and the Road Fund to the Health Insurance Reserve Fund shall be by annual appropriations, and all other contributions to meet the requirements of the programs of health benefits or other employee benefits shall be deposited in the Health Insurance Reserve Fund. The Department shall draw the appropriation from the General Revenue Fund and the Road Fund from time to time as necessary to make expenditures authorized under this Act.

The Director may employ such assistance and services and may purchase such goods as may be necessary for the proper development and administration of any of the benefit programs authorized by this Act. The Director may promulgate rules and regulations in regard to the administration of these programs.

All monies received by the Department for deposit in or transfer to the Health Insurance Reserve Fund, through appropriation or otherwise, shall be used to provide for the making of payments to claimants and providers and to reimburse the Department for all expenses directly incurred relating to Department development and administration of the program of health benefits and other employee benefits.

Any administrative service organization administering any self-insurance health plan and paying claims and benefits under authority of this Act may receive, pursuant to written authorization and direction of the Director, an initial transfer and periodic transfers of funds from the Health Insurance Reserve Fund in amounts determined by the Director who may consider the amount recommended by the administrative service organization. Notwithstanding any other statute, such transferred funds shall be retained by the administrative service organization in a separate account provided by any bank as defined by the Illinois Banking Act. The Department may promulgate regulations further defining the banks authorized to accept such funds and all methodology for transfer of such funds. Any interest earned by monies in such account shall inure to the Health Insurance Reserve Fund, shall remain in such account and shall be used exclusively to pay claims and benefits under this Act. Such transferred funds shall be used exclusively for administrative service organization payment of claims to claimants and providers under the self-insurance health plan by the drawing of checks against such account. The administrative service organization may not use such transferred funds, or interest accrued thereon, for any other purpose including, but not limited to, reimbursement of administrative expenses or payments of administration fees due the organization pursuant to its contract or contracts with the Department of Central Management Services.

The account of the administrative service organization established under this Section, any transfers from the Health Insurance Reserve Fund to such account and the use of such account and funds shall be subject to (1) audit by the Department or private contractor authorized by the Department to conduct audits, and (2) post audit pursuant to the Illinois State Auditing Act.

The Department of ~~Central Management Healthcare and Family~~ Services, or any successor agency designated to procure healthcare contracts pursuant to this Act, is authorized to establish funds, separate accounts provided by any bank or banks as defined by the Illinois Banking Act, or separate accounts provided by any savings and loan association or associations as defined by the Illinois Savings and Loan Act of 1985 to be held by the Director, outside the State treasury, for the purpose of receiving the transfer of moneys from the Health Insurance Reserve Fund. The Department may promulgate rules further defining the methodology for the transfers. Any interest earned by monies in the funds or

accounts shall inure to the Health Insurance Reserve Fund. The transferred moneys, and interest accrued thereon, shall be used exclusively for transfers to administrative service organizations or their financial institutions for payments of claims to claimants and providers under the self-insurance health plan. The transferred moneys, and interest accrued thereon, shall not be used for any other purpose including, but not limited to, reimbursement of administration fees due the administrative service organization pursuant to its contract or contracts with the Department.

(c) The Director, with the advice and consent of the Commission, shall establish premiums for optional coverage for dependents of eligible members for the health plans. The eligible members shall be responsible for their portion of such optional premium. The State shall contribute an amount per month for each eligible member who has enrolled one or more dependents under the health plans. Such contribution shall be made directly to the Health Insurance Reserve Fund. Those employees described in subsection (b) of Section 9 of this Act shall be allowed to continue in the health plan by making personal payments with the premiums to be deposited in the Health Insurance Reserve Fund.

(d) The Health Insurance Reserve Fund shall be a continuing fund not subject to fiscal year limitations. All expenditures from that fund shall be at the direction of the Director and shall be only for the purpose of:

- (1) the payment of administrative expenses incurred by the Department for the program of health benefits or other employee benefit programs, including but not limited to the costs of audits or actuarial consultations, professional and contractual services, electronic data processing systems and services, and expenses in connection with the development and administration of such programs;
 - (2) the payment of administrative expenses incurred by the Administrative Service Organization;
 - (3) the payment of health benefits;
 - (3.5) the payment of medical expenses incurred by the Department for the treatment of employees who suffer accidental injury or death within the scope of their employment;
 - (4) refunds to employees for erroneous payments of their selected dependent coverage;
 - (5) payment of premium for stop-loss or re-insurance;
 - (6) payment of premium to health maintenance organizations pursuant to Section 6.1 of this Act;
 - (7) payment of adoption program benefits; and
 - (8) payment of other benefits offered to members and dependents under this Act.
- (Source: P.A. 94-839, eff. 6-6-06; 95-632, eff. 9-25-07; 95-744, eff. 7-18-08.)

Section 905. The Department of Central Management Services Law of the Civil Administrative Code of Illinois is amended by adding Section 405-520 as follows:

(20 ILCS 405/405-520 new)

Sec. 405-520. State healthcare purchasing. On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were transferred from the Department to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department.

Section 910. The Department of Human Services Act is amended by changing Section 1-20 as follows:

(20 ILCS 1305/1-20)

Sec. 1-20. General powers and duties.

(a) The Department shall exercise the rights, powers, duties, and functions provided by law, including (but not limited to) the rights, powers, duties, and functions transferred to the Department under Article 80 and Article 90 of this Act.

(b) The Department may employ personnel (in accordance with the Personnel Code), provide facilities, contract for goods and services, and adopt rules as necessary to carry out its functions and purposes, all in accordance with applicable State and federal law.

(c) On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Act that were transferred from the Department to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department.

(Source: P.A. 89-507, eff. 7-3-96.)

Section 915. The Department of Healthcare and Family Services Law of the Civil Administrative

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Code of Illinois is amended by adding Section 2205-20 as follows:

(20 ILCS 2205/2205-20 new)

Sec. 2205-20. State healthcare purchasing. On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were transferred to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Departments from which those powers, duties, rights, and responsibilities were transferred; however, powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were exercised by the Department of Corrections before Executive Order 3 (2005) but that pertain to individuals resident in facilities operated by Department of Juvenile Justice shall be transferred to the Department of Juvenile Justice.

Section 920. The Department of Veterans Affairs Act is amended by adding Section 2.08 as follows:
(20 ILCS 2805/2.08 new)

Sec. 2.08. State healthcare purchasing. On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Act that were transferred from the Department to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department.

Section 925. The Commission on Government Forecasting and Accountability Act is amended by changing Section 3 as follows:

(25 ILCS 155/3) (from Ch. 63, par. 343)

Sec. 3. The Commission shall:

- (1) Study from time to time and report to the General Assembly on economic development and trends in the State.
- (2) Make such special economic and fiscal studies as it deems appropriate or desirable or as the General Assembly may request.
- (3) Based on its studies, recommend such State fiscal and economic policies as it deems appropriate or desirable to improve the functioning of State government and the economy of the various regions within the State.
- (4) Prepare annually a State economic report.
- (5) Provide information for all appropriate legislative organizations and personnel on economic trends in relation to long range planning and budgeting.
- (6) Study and make such recommendations as it deems appropriate to the General Assembly on local and regional economic and fiscal policy and on federal fiscal policy as it may affect Illinois.
- (7) Review capital expenditures, appropriations and authorizations for both the State's general obligation and revenue bonding authorities. At the direction of the Commission, specific reviews may include economic feasibility reviews of existing or proposed revenue bond projects to determine the accuracy of the original estimate of useful life of the projects, maintenance requirements and ability to meet debt service requirements through their operating expenses.
- (8) Receive and review all executive agency and revenue bonding authority annual and 3 year plans. The Commission shall prepare a consolidated review of these plans, an updated assessment of current State agency capital plans, a report on the outstanding and unissued bond authorizations, an evaluation of the State's ability to market further bond issues and shall submit them as the "Legislative Capital Plan Analysis" to the House and Senate Appropriations Committees at least once a year. The Commission shall annually submit to the General Assembly on the first Wednesday of April a report on the State's long-term capital needs, with particular emphasis upon and detail of the 5-year period in the immediate future.
- (9) Study and make recommendations it deems appropriate to the General Assembly on State bond financing, bondability guidelines, and debt management. At the direction of the Commission, specific studies and reviews may take into consideration short and long-run implications of State bonding and debt management policy.
- (10) Comply with the provisions of the "State Debt Impact Note Act" as now or hereafter amended.
- (11) Comply with the provisions of the Pension Impact Note Act, as now or hereafter amended.
- (12) By August 1st of each year, the Commission must prepare and cause to be published a summary report of State appropriations for the State fiscal year beginning the previous July 1st. The

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summary report must discuss major categories of appropriations, the issues the General Assembly faced in allocating appropriations, comparisons with appropriations for previous State fiscal years, and other matters helpful in providing the citizens of Illinois with an overall understanding of appropriations for that fiscal year. The summary report must be written in plain language and designed for readability. Publication must be in newspapers of general circulation in the various areas of the State to ensure distribution statewide. The summary report must also be published on the General Assembly's web site.

(13) Comply with the provisions of the State Facilities Closure Act.

(14) For fiscal year 2012 and thereafter, develop a 3-year budget forecast for the State, including opportunities and threats concerning anticipated revenues and expenditures, with an appropriate level of detail.

(15) Exercise the powers and duties granted to it under Section 5.5 of the State Employees Group Insurance Act.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of the General Assembly Organization Act, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(Source: P.A. 96-958, eff. 7-1-10.)

Section 927. The Illinois Procurement Code is amended by changing Section 20-60 as follows:

(30 ILCS 500/20-60)

Sec. 20-60. Duration of contracts.

(a) Maximum duration. A contract, other than a contract entered into pursuant to the State University Certificates of Participation Act, may be entered into for any period of time deemed to be in the best interests of the State but not exceeding 10 years inclusive, beginning January 1, 2010, of proposed contract renewals. The length of a lease for real property or capital improvements shall be in accordance with the provisions of Section 40-25. A contract for bond or mortgage insurance awarded by the Illinois Housing Development Authority, however, may be entered into for any period of time less than or equal to the maximum period of time that the subject bond or mortgage may remain outstanding.

(b) Subject to appropriation. All contracts made or entered into shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to make payments under the terms of the contract.

(c) The chief procurement officer shall file a proposed extension or renewal of a contract with the Procurement Policy Board prior to entering into any extension or renewal if the cost associated with the extension or renewal exceeds \$249,999. The Procurement Policy Board may object to the proposed extension or renewal within 30 calendar days and require a hearing before the Board prior to entering into the extension or renewal. If the Procurement Policy Board does not object within 30 calendar days or takes affirmative action to recommend the extension or renewal, the chief procurement officer may enter into the extension or renewal of a contract. This subsection does not apply to any emergency procurement, any procurement under Article 40, or any procurement exempted by Section 1-10(b) of this Code. If any State agency contract is paid for in whole or in part with federal-aid funds, grants, or loans and the provisions of this subsection would result in the loss of those federal-aid funds, grants, or loans, then the contract is exempt from the provisions of this subsection in order to remain eligible for those federal-aid funds, grants, or loans, and the State agency shall file notice of this exemption with the Procurement Policy Board prior to entering into the proposed extension or renewal. Nothing in this subsection permits a chief procurement officer to enter into an extension or renewal in violation of subsection (a). By August 1 each year, the Procurement Policy Board shall file a report with the General Assembly identifying for the previous fiscal year (i) the proposed extensions or renewals that were filed with the Board and whether the Board objected and (ii) the contracts exempt from this subsection.

(d) If there is a conflict between the provisions of this Section and Section 5.5 of the State Employees Group Insurance Act of 1971, the provisions of Section 5.5 of the State Employees Group Insurance Act of 1971 control.

(Source: P.A. 95-344, eff. 8-21-07; 96-15, eff. 6-22-09; 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-920, eff. 7-1-10; 96-1478, eff. 8-23-10.)

Section 930. The School Employee Benefit Act is amended by adding Section 7 as follows:

(105 ILCS 55/7 new)

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Sec. 7. State healthcare purchasing. On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Act that were transferred from the Department to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department.

Section 935. The Unified Code of Corrections is amended by changing Sections 3-2-2 and 3-2.5-20 as follows:

(730 ILCS 5/3-2-2) (from Ch. 38, par. 1003-2-2)

Sec. 3-2-2. Powers and Duties of the Department.

(1) In addition to the powers, duties and responsibilities which are otherwise provided by law, the Department shall have the following powers:

(a) To accept persons committed to it by the courts of this State for care, custody, treatment and rehabilitation, and to accept federal prisoners and aliens over whom the Office of the Federal Detention Trustee is authorized to exercise the federal detention function for limited purposes and periods of time.

(b) To develop and maintain reception and evaluation units for purposes of analyzing the custody and rehabilitation needs of persons committed to it and to assign such persons to institutions and programs under its control or transfer them to other appropriate agencies. In consultation with the Department of Alcoholism and Substance Abuse (now the Department of Human Services), the Department of Corrections shall develop a master plan for the screening and evaluation of persons committed to its custody who have alcohol or drug abuse problems, and for making appropriate treatment available to such persons; the Department shall report to the General Assembly on such plan not later than April 1, 1987. The maintenance and implementation of such plan shall be contingent upon the availability of funds.

(b-1) To create and implement, on January 1, 2002, a pilot program to establish the effectiveness of pupillometer technology (the measurement of the pupil's reaction to light) as an alternative to a urine test for purposes of screening and evaluating persons committed to its custody who have alcohol or drug problems. The pilot program shall require the pupillometer technology to be used in at least one Department of Corrections facility. The Director may expand the pilot program to include an additional facility or facilities as he or she deems appropriate. A minimum of 4,000 tests shall be included in the pilot program. The Department must report to the General Assembly on the effectiveness of the program by January 1, 2003.

(b-5) To develop, in consultation with the Department of State Police, a program for tracking and evaluating each inmate from commitment through release for recording his or her gang affiliations, activities, or ranks.

(c) To maintain and administer all State correctional institutions and facilities under its control and to establish new ones as needed. Pursuant to its power to establish new institutions and facilities, the Department may, with the written approval of the Governor, authorize the Department of Central Management Services to enter into an agreement of the type described in subsection (d) of Section 405-300 of the Department of Central Management Services Law (20 ILCS 405/405-300). The Department shall designate those institutions which shall constitute the State Penitentiary System.

Pursuant to its power to establish new institutions and facilities, the Department may authorize the Department of Central Management Services to accept bids from counties and municipalities for the construction, remodeling or conversion of a structure to be leased to the Department of Corrections for the purposes of its serving as a correctional institution or facility. Such construction, remodeling or conversion may be financed with revenue bonds issued pursuant to the Industrial Building Revenue Bond Act by the municipality or county. The lease specified in a bid shall be for a term of not less than the time needed to retire any revenue bonds used to finance the project, but not to exceed 40 years. The lease may grant to the State the option to purchase the structure outright.

Upon receipt of the bids, the Department may certify one or more of the bids and shall submit any such bids to the General Assembly for approval. Upon approval of a bid by a constitutional majority of both houses of the General Assembly, pursuant to joint resolution, the Department of Central Management Services may enter into an agreement with the county or municipality pursuant to such bid.

(c-5) To build and maintain regional juvenile detention centers and to charge a per diem to the counties as established by the Department to defray the costs of housing each minor in a center. In this subsection (c-5), "juvenile detention center" means a facility to house minors during pendency of trial who have been transferred from proceedings under the Juvenile Court Act of 1987 to

prosecutions under the criminal laws of this State in accordance with Section 5-805 of the Juvenile Court Act of 1987, whether the transfer was by operation of law or permissive under that Section. The Department shall designate the counties to be served by each regional juvenile detention center.

(d) To develop and maintain programs of control, rehabilitation and employment of committed persons within its institutions.

(d-5) To provide a pre-release job preparation program for inmates at Illinois adult correctional centers.

(e) To establish a system of supervision and guidance of committed persons in the community.

(f) To establish in cooperation with the Department of Transportation to supply a sufficient number of prisoners for use by the Department of Transportation to clean up the trash and garbage along State, county, township, or municipal highways as designated by the Department of Transportation. The Department of Corrections, at the request of the Department of Transportation, shall furnish such prisoners at least annually for a period to be agreed upon between the Director of Corrections and the Director of Transportation. The prisoners used on this program shall be selected by the Director of Corrections on whatever basis he deems proper in consideration of their term, behavior and earned eligibility to participate in such program - where they will be outside of the prison facility but still in the custody of the Department of Corrections. Prisoners convicted of first degree murder, or a Class X felony, or armed violence, or aggravated kidnapping, or criminal sexual assault, aggravated criminal sexual abuse or a subsequent conviction for criminal sexual abuse, or forcible detention, or arson, or a prisoner adjudged a Habitual Criminal shall not be eligible for selection to participate in such program. The prisoners shall remain as prisoners in the custody of the Department of Corrections and such Department shall furnish whatever security is necessary. The Department of Transportation shall furnish trucks and equipment for the highway cleanup program and personnel to supervise and direct the program. Neither the Department of Corrections nor the Department of Transportation shall replace any regular employee with a prisoner.

(g) To maintain records of persons committed to it and to establish programs of research, statistics and planning.

(h) To investigate the grievances of any person committed to the Department, to inquire into any alleged misconduct by employees or committed persons, and to investigate the assets of committed persons to implement Section 3-7-6 of this Code; and for these purposes it may issue subpoenas and compel the attendance of witnesses and the production of writings and papers, and may examine under oath any witnesses who may appear before it; to also investigate alleged violations of a parolee's or releasee's conditions of parole or release; and for this purpose it may issue subpoenas and compel the attendance of witnesses and the production of documents only if there is reason to believe that such procedures would provide evidence that such violations have occurred.

If any person fails to obey a subpoena issued under this subsection, the Director may apply to any circuit court to secure compliance with the subpoena. The failure to comply with the order of the court issued in response thereto shall be punishable as contempt of court.

(i) To appoint and remove the chief administrative officers, and administer programs of training and development of personnel of the Department. Personnel assigned by the Department to be responsible for the custody and control of committed persons or to investigate the alleged misconduct of committed persons or employees or alleged violations of a parolee's or releasee's conditions of parole shall be conservators of the peace for those purposes, and shall have the full power of peace officers outside of the facilities of the Department in the protection, arrest, retaking and reconfining of committed persons or where the exercise of such power is necessary to the investigation of such misconduct or violations.

(j) To cooperate with other departments and agencies and with local communities for the development of standards and programs for better correctional services in this State.

(k) To administer all moneys and properties of the Department.

(l) To report annually to the Governor on the committed persons, institutions and programs of the Department.

(l-5) In a confidential annual report to the Governor, the Department shall identify all inmate gangs by specifying each current gang's name, population and allied gangs. The Department shall further specify the number of top leaders identified by the Department for each gang during the past year, and the measures taken by the Department to segregate each leader from his or her gang and allied gangs. The Department shall further report the current status of leaders identified and segregated in previous years. All leaders described in the report shall be identified by inmate number or other designation to enable tracking, auditing, and verification without revealing the names of the

leaders. Because this report contains law enforcement intelligence information collected by the Department, the report is confidential and not subject to public disclosure.

(m) To make all rules and regulations and exercise all powers and duties vested by law in the Department.

(n) To establish rules and regulations for administering a system of good conduct credits, established in accordance with Section 3-6-3, subject to review by the Prisoner Review Board.

(o) To administer the distribution of funds from the State Treasury to reimburse counties where State penal institutions are located for the payment of assistant state's attorneys' salaries under Section 4-2001 of the Counties Code.

(p) To exchange information with the Department of Human Services and the Department of Healthcare and Family Services for the purpose of verifying living arrangements and for other purposes directly connected with the administration of this Code and the Illinois Public Aid Code.

(q) To establish a diversion program.

The program shall provide a structured environment for selected technical parole or mandatory supervised release violators and committed persons who have violated the rules governing their conduct while in work release. This program shall not apply to those persons who have committed a new offense while serving on parole or mandatory supervised release or while committed to work release.

Elements of the program shall include, but shall not be limited to, the following:

- (1) The staff of a diversion facility shall provide supervision in accordance with required objectives set by the facility.
- (2) Participants shall be required to maintain employment.
- (3) Each participant shall pay for room and board at the facility on a sliding-scale basis according to the participant's income.
- (4) Each participant shall:
 - (A) provide restitution to victims in accordance with any court order;
 - (B) provide financial support to his dependents; and
 - (C) make appropriate payments toward any other court-ordered obligations.
- (5) Each participant shall complete community service in addition to employment.
- (6) Participants shall take part in such counseling, educational and other programs as the Department may deem appropriate.
- (7) Participants shall submit to drug and alcohol screening.
- (8) The Department shall promulgate rules governing the administration of the program.

(r) To enter into intergovernmental cooperation agreements under which persons in the custody of the Department may participate in a county impact incarceration program established under Section 3-6038 or 3-15003.5 of the Counties Code.

(r-5) (Blank).

(r-10) To systematically and routinely identify with respect to each streetgang active within the correctional system: (1) each active gang; (2) every existing inter-gang affiliation or alliance; and (3) the current leaders in each gang. The Department shall promptly segregate leaders from inmates who belong to their gangs and allied gangs. "Segregate" means no physical contact and, to the extent possible under the conditions and space available at the correctional facility, prohibition of visual and sound communication. For the purposes of this paragraph (r-10), "leaders" means persons who:

- (i) are members of a criminal streetgang;
- (ii) with respect to other individuals within the streetgang, occupy a position of organizer, supervisor, or other position of management or leadership; and
- (iii) are actively and personally engaged in directing, ordering, authorizing, or requesting commission of criminal acts by others, which are punishable as a felony, in furtherance of streetgang related activity both within and outside of the Department of Corrections.

"Streetgang", "gang", and "streetgang related" have the meanings ascribed to them in Section 10 of the Illinois Streetgang Terrorism Omnibus Prevention Act.

(s) To operate a super-maximum security institution, in order to manage and supervise inmates who are disruptive or dangerous and provide for the safety and security of the staff and the other inmates.

(t) To monitor any unprivileged conversation or any unprivileged communication, whether in person or by mail, telephone, or other means, between an inmate who, before commitment to the Department, was a member of an organized gang and any other person without the need to show cause

or satisfy any other requirement of law before beginning the monitoring, except as constitutionally required. The monitoring may be by video, voice, or other method of recording or by any other means. As used in this subdivision (1)(t), "organized gang" has the meaning ascribed to it in Section 10 of the Illinois Streetgang Terrorism Omnibus Prevention Act.

As used in this subdivision (1)(t), "unprivileged conversation" or "unprivileged communication" means a conversation or communication that is not protected by any privilege recognized by law or by decision, rule, or order of the Illinois Supreme Court.

(u) To establish a Women's and Children's Pre-release Community Supervision Program for the purpose of providing housing and services to eligible female inmates, as determined by the Department, and their newborn and young children.

(u-5) To issue an order, whenever a person committed to the Department absconds or absents himself or herself, without authority to do so, from any facility or program to which he or she is assigned. The order shall be certified by the Director, the Supervisor of the Apprehension Unit, or any person duly designated by the Director, with the seal of the Department affixed. The order shall be directed to all sheriffs, coroners, and police officers, or to any particular person named in the order. Any order issued pursuant to this subdivision (1) (u-5) shall be sufficient warrant for the officer or person named in the order to arrest and deliver the committed person to the proper correctional officials and shall be executed the same as criminal process.

(v) To do all other acts necessary to carry out the provisions of this Chapter.

(2) The Department of Corrections shall by January 1, 1998, consider building and operating a correctional facility within 100 miles of a county of over 2,000,000 inhabitants, especially a facility designed to house juvenile participants in the impact incarceration program.

(3) When the Department lets bids for contracts for medical services to be provided to persons committed to Department facilities by a health maintenance organization, medical service corporation, or other health care provider, the bid may only be let to a health care provider that has obtained an irrevocable letter of credit or performance bond issued by a company whose bonds are rated AAA by a bond rating organization.

(4) When the Department lets bids for contracts for food or commissary services to be provided to Department facilities, the bid may only be let to a food or commissary services provider that has obtained an irrevocable letter of credit or performance bond issued by a company whose bonds are rated AAA by a bond rating organization.

(5) On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were transferred from the Department of Corrections to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department of Corrections; however, powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were exercised by the Department of Corrections before Executive Order 3 (2005) but that pertain to individuals resident in facilities operated by Department of Juvenile Justice are transferred to the Department of Juvenile Justice.

(Source: P.A. 96-1265, eff. 7-26-10.)

(730 ILCS 5/3-2.5-20)

Sec. 3-2.5-20. General powers and duties.

(a) In addition to the powers, duties, and responsibilities which are otherwise provided by law or transferred to the Department as a result of this Article, the Department, as determined by the Director, shall have, but are not limited to, the following rights, powers, functions and duties:

(1) To accept juveniles committed to it by the courts of this State for care, custody, treatment, and rehabilitation.

(2) To maintain and administer all State juvenile correctional institutions previously under the control of the Juvenile and Women's & Children Divisions of the Department of Corrections, and to establish and maintain institutions as needed to meet the needs of the youth committed to its care.

(3) To identify the need for and recommend the funding and implementation of an appropriate mix of programs and services within the juvenile justice continuum, including but not limited to prevention, nonresidential and residential commitment programs, day treatment, and conditional release programs and services, with the support of educational, vocational, alcohol, drug abuse, and mental health services where appropriate.

(4) To establish and provide transitional and post-release treatment programs for juveniles committed to the Department. Services shall include but are not limited to:

(i) family and individual counseling and treatment placement;

- (ii) referral services to any other State or local agencies;
- (iii) mental health services;
- (iv) educational services;
- (v) family counseling services; and
- (vi) substance abuse services.

(5) To access vital records of juveniles for the purposes of providing necessary documentation for transitional services such as obtaining identification, educational enrollment, employment, and housing.

(6) To develop staffing and workload standards and coordinate staff development and training appropriate for juvenile populations.

(7) To develop, with the approval of the Office of the Governor and the Governor's Office of Management and Budget, annual budget requests.

(8) To administer the Interstate Compact for Juveniles, with respect to all juveniles under its jurisdiction, and to cooperate with the Department of Human Services with regard to all non-offender juveniles subject to the Interstate Compact for Juveniles.

(b) The Department may employ personnel in accordance with the Personnel Code and Section 3-2.5-15 of this Code, provide facilities, contract for goods and services, and adopt rules as necessary to carry out its functions and purposes, all in accordance with applicable State and federal law.

(c) On and after January 1, 2012, as provided in the State Healthcare Purchasing Reorganization Act, all of the powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were transferred from the Department of Corrections to the Department of Healthcare and Family Services by Executive Order 3 (2005) are transferred back to the Department of Corrections; however, powers, duties, rights, and responsibilities related to State healthcare purchasing under this Code that were exercised by the Department of Corrections before Executive Order 3 (2005) but that pertain to individuals resident in facilities operated by Department of Juvenile Justice are transferred to the Department of Juvenile Justice.

(Source: P.A. 94-696, eff. 6-1-06; 95-937, eff. 8-26-08.)

Section 997. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 999. Effective date. This Act takes effect upon becoming law."

AMENDMENT NO. 3 TO SENATE BILL 1538

AMENDMENT NO. 3. Amend Senate Bill 1538, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The State Employees Group Insurance Act of 1971 is amended by changing Sections 3 and 8 as follows:

(5 ILCS 375/3) (from Ch. 127, par. 523)

Sec. 3. Definitions. Unless the context otherwise requires, the following words and phrases as used in this Act shall have the following meanings. The Department may define these and other words and phrases separately for the purpose of implementing specific programs providing benefits under this Act.

(a) "Administrative service organization" means any person, firm or corporation experienced in the handling of claims which is fully qualified, financially sound and capable of meeting the service requirements of a contract of administration executed with the Department.

(b) "Annuitant" means (1) an employee who retires, or has retired, on or after January 1, 1966 on an immediate annuity under the provisions of Articles 2, 14 (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code in lieu of an annuity), 15 (including an employee who has retired under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code; (2) any person who was receiving group insurance coverage under this Act as of March 31, 1978 by reason of his status as an annuitant, even though the annuity in relation to which such coverage was provided is a proportional annuity based on less than the minimum period of service required for a retirement annuity in the system involved; (3) any person not otherwise covered by this Act who has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code; (4) the spouse of any person who is receiving a retirement annuity under Article 18 of the Illinois Pension Code and who is covered under a group health insurance program sponsored by a governmental employer other than the

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State of Illinois and who has irrevocably elected to waive his or her coverage under this Act and to have his or her spouse considered as the "annuitant" under this Act and not as a "dependent"; or (5) an employee who retires, or has retired, from a qualified position, as determined according to rules promulgated by the Director, under a qualified local government, a qualified rehabilitation facility, a qualified domestic violence shelter or service, or a qualified child advocacy center. (For definition of "retired employee", see (p) post).

(b-5) "New SERS annuitant" means a person who, on or after January 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 14 of the Illinois Pension Code (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of that Code in lieu of an annuity), and is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(b-6) "New SURS annuitant" means a person who (1) on or after January 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 15 of the Illinois Pension Code, (2) has not made the election authorized under Section 15-135.1 of the Illinois Pension Code, and (3) is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(b-7) "New TRS State annuitant" means a person who, on or after July 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 16 of the Illinois Pension Code based on service as a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of that Code, and is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(c) "Carrier" means (1) an insurance company, a corporation organized under the Limited Health Service Organization Act or the Voluntary Health Services Plan Act, a partnership, or other nongovernmental organization, which is authorized to do group life or group health insurance business in Illinois, or (2) the State of Illinois as a self-insurer.

(d) "Compensation" means salary or wages payable on a regular payroll by the State Treasurer on a warrant of the State Comptroller out of any State, trust or federal fund, or by the Governor of the State through a disbursing officer of the State out of a trust or out of federal funds, or by any Department out of State, trust, federal or other funds held by the State Treasurer or the Department, to any person for personal services currently performed, and ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, or benefits payable under the Workers' Compensation or Occupational Diseases Act or benefits payable under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Compensation" also means salary or wages paid to an employee of any qualified local government, qualified rehabilitation facility, qualified domestic violence shelter or service, or qualified child advocacy center.

(e) "Commission" means the State Employees Group Insurance Advisory Commission authorized by this Act. Commencing July 1, 1984, "Commission" as used in this Act means the Commission on Government Forecasting and Accountability as established by the Legislative Commission Reorganization Act of 1984.

(f) "Contributory", when referred to as contributory coverage, shall mean optional coverages or benefits elected by the member toward the cost of which such member makes contribution, or which are funded in whole or in part through the acceptance of a reduction in earnings or the foregoing of an increase in earnings by an employee, as distinguished from noncontributory coverage or benefits which are paid entirely by the State of Illinois without reduction of the member's salary.

(g) "Department" means any department, institution, board, commission, officer, court or any agency of the State government receiving appropriations and having power to certify payrolls to the Comptroller authorizing payments of salary and wages against such appropriations as are made by the General Assembly from any State fund, or against trust funds held by the State Treasurer and includes boards of trustees of the retirement systems created by Articles 2, 14, 15, 16 and 18 of the Illinois Pension Code. "Department" also includes the Illinois Comprehensive Health Insurance Board, the Board of Examiners established under the Illinois Public Accounting Act, and the Illinois Finance Authority.

(h) "Dependent", when the term is used in the context of the health and life plan, means a member's spouse and any child (1) from birth to age 26 including an adopted child, a child who lives with the member from the time of the filing of a petition for adoption until entry of an order of adoption, a stepchild or adjudicated child, or a child who lives with the member if such member is a court appointed guardian of the child or (2) age 19 or over who is mentally or physically disabled from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child dependent). For the health plan

only, the term "dependent" also includes (1) any person enrolled prior to the effective date of this Section who is dependent upon the member to the extent that the member may claim such person as a dependent for income tax deduction purposes and (2) any person who has received after June 30, 2000 an organ transplant and who is financially dependent upon the member and eligible to be claimed as a dependent for income tax purposes. A member requesting to cover any dependent must provide documentation as requested by the Department of Central Management Services and file with the Department any and all forms required by the Department.

(i) "Director" means the Director of the Illinois Department of Central Management Services or of any successor agency designated to administer this Act.

(j) "Eligibility period" means the period of time a member has to elect enrollment in programs or to select benefits without regard to age, sex or health.

(k) "Employee" means and includes each officer or employee in the service of a department who (1) receives his compensation for service rendered to the department on a warrant issued pursuant to a payroll certified by a department or on a warrant or check issued and drawn by a department upon a trust, federal or other fund or on a warrant issued pursuant to a payroll certified by an elected or duly appointed officer of the State or who receives payment of the performance of personal services on a warrant issued pursuant to a payroll certified by a Department and drawn by the Comptroller upon the State Treasurer against appropriations made by the General Assembly from any fund or against trust funds held by the State Treasurer, and (2) is employed full-time or part-time in a position normally requiring actual performance of duty during not less than 1/2 of a normal work period, as established by the Director in cooperation with each department, except that persons elected by popular vote will be considered employees during the entire term for which they are elected regardless of hours devoted to the service of the State, and (3) except that "employee" does not include any person who is not eligible by reason of such person's employment to participate in one of the State retirement systems under Articles 2, 14, 15 (either the regular Article 15 system or the optional retirement program established under Section 15-158.2) or 18, or under paragraph (2), (3), or (5) of Section 16-106, of the Illinois Pension Code, but such term does include persons who are employed during the 6 month qualifying period under Article 14 of the Illinois Pension Code. Such term also includes any person who (1) after January 1, 1966, is receiving ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, (2) receives total permanent or total temporary disability under the Workers' Compensation Act or Occupational Disease Act as a result of injuries sustained or illness contracted in the course of employment with the State of Illinois, or (3) is not otherwise covered under this Act and has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code. However, a person who satisfies the criteria of the foregoing definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code is also an "employee" for the purposes of this Act. "Employee" also includes any person receiving or eligible for benefits under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Employee" also includes (i) each officer or employee in the service of a qualified local government, including persons appointed as trustees of sanitary districts regardless of hours devoted to the service of the sanitary district, (ii) each employee in the service of a qualified rehabilitation facility, (iii) each full-time employee in the service of a qualified domestic violence shelter or service, and (iv) each full-time employee in the service of a qualified child advocacy center, as determined according to rules promulgated by the Director.

(l) "Member" means an employee, annuitant, retired employee or survivor. In the case of an annuitant or retired employee who first becomes an annuitant or retired employee on or after the effective date of this amendatory Act of the 97th General Assembly, the individual must meet the minimum vesting requirements of the applicable retirement system in order to be eligible for group insurance benefits under that system. In the case of a survivor who first becomes a survivor on or after the effective date of this amendatory Act of the 97th General Assembly, the deceased employee, annuitant, or retired employee upon whom the annuity is based must have been eligible to participate in the group insurance system under the applicable retirement system in order for the survivor to be eligible for group insurance benefits under that system.

(m) "Optional coverages or benefits" means those coverages or benefits available to the member on his or her voluntary election, and at his or her own expense.

(n) "Program" means the group life insurance, health benefits and other employee benefits designed and contracted for by the Director under this Act.

(o) "Health plan" means a health benefits program offered by the State of Illinois for persons eligible for the plan.

(p) "Retired employee" means any person who would be an annuitant as that term is defined herein but for the fact that such person retired prior to January 1, 1966. Such term also includes any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant but for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code.

(q) "Survivor" means a person receiving an annuity as a survivor of an employee or of an annuitant. "Survivor" also includes: (1) the surviving dependent of a person who satisfies the definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; (2) the surviving dependent of any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant except for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; and (3) the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-2) "SERS" means the State Employees' Retirement System of Illinois, created under Article 14 of the Illinois Pension Code.

(q-3) "SURS" means the State Universities Retirement System, created under Article 15 of the Illinois Pension Code.

(q-4) "TRS" means the Teachers' Retirement System of the State of Illinois, created under Article 16 of the Illinois Pension Code.

(q-5) "New SERS survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 14 of the Illinois Pension Code and is based on the death of (i) an employee whose death occurs on or after January 1, 1998, or (ii) a new SERS annuitant as defined in subsection (b-5). "New SERS survivor" includes the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-6) "New SURS survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 15 of the Illinois Pension Code and is based on the death of (i) an employee whose death occurs on or after January 1, 1998, or (ii) a new SURS annuitant as defined in subsection (b-6).

(q-7) "New TRS State survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 16 of the Illinois Pension Code and is based on the death of (i) an employee who is a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of that Code and whose death occurs on or after July 1, 1998, or (ii) a new TRS State annuitant as defined in subsection (b-7).

(r) "Medical services" means the services provided within the scope of their licenses by practitioners in all categories licensed under the Medical Practice Act of 1987.

(s) "Unit of local government" means any county, municipality, township, school district (including a combination of school districts under the Intergovernmental Cooperation Act), special district or other unit, designated as a unit of local government by law, which exercises limited governmental powers or powers in respect to limited governmental subjects, any not-for-profit association with a membership that primarily includes townships and township officials, that has duties that include provision of research service, dissemination of information, and other acts for the purpose of improving township government, and that is funded wholly or partly in accordance with Section 85-15 of the Township Code; any not-for-profit corporation or association, with a membership consisting primarily of municipalities, that operates its own utility system, and provides research, training, dissemination of information, or other acts to promote cooperation between and among municipalities that provide utility services and for the advancement of the goals and purposes of its membership; the Southern Illinois Collegiate Common Market, which is a consortium of higher education institutions in Southern Illinois; the Illinois Association of Park Districts; and any hospital provider that is owned by a county that has 100 or fewer hospital beds and has not already joined the program. "Qualified local government" means a unit of local government approved by the Director and participating in a program created under subsection (i) of Section 10 of this Act.

(t) "Qualified rehabilitation facility" means any not-for-profit organization that is accredited by the Commission on Accreditation of Rehabilitation Facilities or certified by the Department of Human Services (as successor to the Department of Mental Health and Developmental Disabilities) to provide services to persons with disabilities and which receives funds from the State of Illinois for providing those services, approved by the Director and participating in a program created under subsection (j) of

Section 10 of this Act.

(u) "Qualified domestic violence shelter or service" means any Illinois domestic violence shelter or service and its administrative offices funded by the Department of Human Services (as successor to the Illinois Department of Public Aid), approved by the Director and participating in a program created under subsection (k) of Section 10.

(v) "TRS benefit recipient" means a person who:

- (1) is not a "member" as defined in this Section; and
- (2) is receiving a monthly benefit or retirement annuity under Article 16 of the Illinois Pension Code; and

(3) either (i) has at least 8 years of creditable service under Article 16 of the Illinois Pension Code, or (ii) was enrolled in the health insurance program offered under that Article on January 1, 1996, or (iii) is the survivor of a benefit recipient who had at least 8 years of creditable service under Article 16 of the Illinois Pension Code or was enrolled in the health insurance program offered under that Article on the effective date of this amendatory Act of 1995, or (iv) is a recipient or survivor of a recipient of a disability benefit under Article 16 of the Illinois Pension Code.

(w) "TRS dependent beneficiary" means a person who:

- (1) is not a "member" or "dependent" as defined in this Section; and
- (2) is a TRS benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the TRS benefit recipient, or (C) natural, step, adjudicated, or adopted child who is (i) under age 26, (ii) was, on January 1, 1996, participating as a dependent beneficiary in the health insurance program offered under Article 16 of the Illinois Pension Code, or (iii) age 19 or over who is mentally or physically disabled from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child).

"TRS dependent beneficiary" does not include, as indicated under paragraph (2) of this subsection (w), a dependent of the survivor of a TRS benefit recipient who first becomes a dependent of a survivor of a TRS benefit recipient on or after the effective date of this amendatory Act of the 97th General Assembly unless that dependent would have been eligible for coverage as a dependent of the deceased TRS benefit recipient upon whom the survivor benefit is based.

(x) "Military leave" refers to individuals in basic training for reserves, special/advanced training, annual training, emergency call up, activation by the President of the United States, or any other training or duty in service to the United States Armed Forces.

(y) (Blank).

(z) "Community college benefit recipient" means a person who:

- (1) is not a "member" as defined in this Section; and
- (2) is receiving a monthly survivor's annuity or retirement annuity under Article 15 of the Illinois Pension Code; and

(3) either (i) was a full-time employee of a community college district or an association of community college boards created under the Public Community College Act (other than an employee whose last employer under Article 15 of the Illinois Pension Code was a community college district subject to Article VII of the Public Community College Act) and was eligible to participate in a group health benefit plan as an employee during the time of employment with a community college district (other than a community college district subject to Article VII of the Public Community College Act) or an association of community college boards, or (ii) is the survivor of a person described in item (i).

(aa) "Community college dependent beneficiary" means a person who:

- (1) is not a "member" or "dependent" as defined in this Section; and
- (2) is a community college benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the community college benefit recipient, or (C) natural, step, adjudicated, or adopted child who is (i) under age 26, or (ii) age 19 or over and mentally or physically disabled from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child).

"Community college dependent beneficiary" does not include, as indicated under paragraph (2) of this subsection (aa), a dependent of the survivor of a community college benefit recipient who first becomes a dependent of a survivor of a community college benefit recipient on or after the effective date of this amendatory Act of the 97th General Assembly unless that dependent would have been eligible for coverage as a dependent of the deceased community college benefit recipient upon whom the survivor annuity is based.

(bb) "Qualified child advocacy center" means any Illinois child advocacy center and its administrative offices funded by the Department of Children and Family Services, as defined by the Children's

Advocacy Center Act (55 ILCS 80/), approved by the Director and participating in a program created under subsection (n) of Section 10.

(Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07; 96-756, eff. 1-1-10; 96-1519, eff. 2-4-11.)
(5 ILCS 375/8) (from Ch. 127, par. 528)

Sec. 8. Eligibility.

(a) Each employee member eligible under the provisions of this Act and any rules and regulations promulgated and adopted hereunder by the Director shall become immediately eligible and covered for all benefits available under the programs. Employees Members electing coverage for eligible dependents shall have the coverage effective immediately, provided that the election is properly filed in accordance with required filing dates and procedures specified by the Director, including the completion and submission of all documentation and forms required by the Director.

(1) Every member originally eligible to elect dependent coverage, but not electing it during the original eligibility period, may subsequently obtain dependent coverage only in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period.

(2) Members described above being transferred from previous coverage towards which the State has been contributing shall be transferred regardless of preexisting conditions, waiting periods, or other requirements that might jeopardize claim payments to which they would otherwise have been entitled.

(3) Eligible and covered members that are eligible for coverage as dependents except for the fact of being members shall be transferred to, and covered under, dependent status regardless of preexisting conditions, waiting periods, or other requirements that might jeopardize claim payments to which they would otherwise have been entitled upon cessation of member status and the election of dependent coverage by a member eligible to elect that coverage.

(b) New employees shall be immediately insured for the basic group life insurance and covered by the program of health benefits on the first day of active State service. Optional life insurance coverage one to 4 times the basic amount, if elected during the relevant eligibility period, will become effective on the date of employment. Optional life insurance coverage exceeding 4 times the basic amount and all life insurance amounts applied for after the eligibility period will be effective, subject to satisfactory evidence of insurability when applicable, or other necessary qualifications, pursuant to the requirements of the applicable benefit program, unless there is a change in status that would confer new eligibility for change of enrollment under rules established supplementing this Act, in which event application must be made within the new eligibility period.

(c) As to the group health benefits program contracted to begin or continue after June 30, 1973, each annuitant, survivor, and retired employee shall become immediately eligible and covered for all benefits available under that program. Each annuitant, survivor, and retired employee shall have coverage effective immediately, provided that the election is properly filed in accordance with the required filing dates and procedures specified by the Director, including the completion and submission of all documentation and forms required by the Director. Annuitants, survivors, and retired ~~Retired~~ employees may elect coverage for eligible dependents and shall have the coverage effective immediately, provided that the election is properly filed in accordance with required filing dates and procedures specified by the Director, except that, for a survivor, the dependent sought to be added on or after the effective date of this amendatory Act of the 97th General Assembly must have been eligible for coverage as a dependent under the deceased member upon whom the survivor's annuity is based in order to be eligible for coverage under the survivor.

Except as otherwise provided in this Act, where husband and wife are both eligible members, each shall be enrolled as a member and coverage on their eligible dependent children, if any, may be under the enrollment and election of either.

Regardless of other provisions herein regarding late enrollment or other qualifications, as appropriate, the Director may periodically authorize open enrollment periods for each of the benefit programs at which time each member may elect enrollment or change of enrollment without regard to age, sex, health, or other qualification under the conditions as may be prescribed in rules and regulations supplementing this Act. Special open enrollment periods may be declared by the Director for certain members only when special circumstances occur that affect only those members.

(d) Beginning with fiscal year 2003 and for all subsequent years, eligible members may elect not to participate in the program of health benefits as defined in this Act. The election must be made during the annual benefit choice period, subject to the conditions in this subsection.

(1) Members must furnish proof of health benefit coverage, either comprehensive major medical coverage or comprehensive managed care plan, from a source other than the Department of

Central Management Services in order to elect not to participate in the program.

(2) Members may re-enroll in the Department of Central Management Services program of health benefits upon showing a qualifying change in status, as defined in the U.S. Internal Revenue Code, without evidence of insurability and with no limitations on coverage for pre-existing conditions, provided that there was not a break in coverage of more than 63 days.

(3) Members may also re-enroll in the program of health benefits during any annual benefit choice period, without evidence of insurability.

(4) Members who elect not to participate in the program of health benefits shall be furnished a written explanation of the requirements and limitations for the election not to participate in the program and for re-enrolling in the program. The explanation shall also be included in the annual benefit choice options booklets furnished to members.

(d-5) Beginning July 1, 2005, the Director may establish a program of financial incentives to encourage annuitants receiving a retirement annuity from the State Employees Retirement System, but who are not eligible for benefits under the federal Medicare health insurance program (Title XVIII of the Social Security Act, as added by Public Law 89-97) to elect not to participate in the program of health benefits provided under this Act. The election by an annuitant not to participate under this program must be made in accordance with the requirements set forth under subsection (d). The financial incentives provided to these annuitants under the program may not exceed \$150 per month for each annuitant electing not to participate in the program of health benefits provided under this Act.

(e) Notwithstanding any other provision of this Act or the rules adopted under this Act, if a person participating in the program of health benefits as the dependent spouse of an eligible member becomes an annuitant, the person may elect, at the time of becoming an annuitant or during any subsequent annual benefit choice period, to continue participation as a dependent rather than as an eligible member for as long as the person continues to be an eligible dependent. In order to be eligible to make such an election, the person must have been enrolled as a dependent under the program of health benefits for no less than one year prior to becoming an annuitant.

An eligible member who has elected to participate as a dependent may re-enroll in the program of health benefits as an eligible member (i) during any subsequent annual benefit choice period or (ii) upon showing a qualifying change in status, as defined in the U.S. Internal Revenue Code, without evidence of insurability and with no limitations on coverage for pre-existing conditions.

A person who elects to participate in the program of health benefits as a dependent rather than as an eligible member shall be furnished a written explanation of the consequences of electing to participate as a dependent and the conditions and procedures for re-enrolling as an eligible member. The explanation shall also be included in the annual benefit choice options booklet furnished to members. (Source: P.A. 94-95, eff. 7-1-05; 94-109, eff. 7-1-05; 95-331, eff. 8-21-07.)

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

Under the rules, the foregoing **Senate Bill No. 1538**, with House Amendments numbered 1 and 3, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 1589

A bill for AN ACT concerning civil law.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1589

Concurred in by the House, November 10, 2011.

TIMOTHY D. MAPES, Clerk of the House

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 3462

A bill for AN ACT concerning insurance.

[November 10, 2011]

Which amendment is as follows:
 Senate Amendment No. 1 to HOUSE BILL NO. 3462
 Concurred in by the House, November 10, 2011.

TIMOTHY D. MAPES, Clerk of the House

Senator Trotter asked and obtained unanimous consent to recess for the purpose of a Democrat caucus.

At the hour of 12:13 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 1:13 o'clock p.m., the Senate resumed consideration of business.
 Senator Clayborne, presiding.

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS ON SECRETARY'S DESK

On motion of Senator Sullivan, **Senate Bill No. 2147**, with House Amendments numbered 5, 7 and 9 on the Secretary's Desk, was taken up for immediate consideration.

Senator Sullivan moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

YEAS 38; NAYS 16; Present 1.

The following voted in the affirmative:

Bivins	Haine	Lightford	Rezin
Bomke	Harmon	Luechtefeld	Sandoval
Brady	Hunter	Maloney	Schoenberg
Clayborne	Hutchinson	Martinez	Silverstein
Collins, A.	Jacobs	McCann	Steans
Crotty	Johnson, C.	McCarter	Sullivan
Cultra	Jones, E.	Muñoz	Wilhelmi
Dillard	Koehler	Noland	Mr. President
Forby	Kotowski	Radogno	
Garrett	LaHood	Raoul	

The following voted in the negative:

Duffy	Lauzen	Pankau	Trotter
Frerichs	Link	Righter	
Holmes	Millner	Sandack	
Johnson, T.	Mulroe	Schmidt	
Landek	Murphy	Syverson	

The following voted present:

Jones, J.

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 5, 7 and 9 to **Senate Bill No. 2147**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

[November 10, 2011]

On motion of Senator Sullivan, **Senate Bill No. 2458**, with House Amendments numbered 1, 2 and 3 on the Secretary's Desk, was taken up for immediate consideration.

Senator Sullivan moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

YEAS 36; NAYS 16.

The following voted in the affirmative:

Bomke	Harmon	Luechtefeld	Schoenberg
Brady	Hunter	Maloney	Silverstein
Clayborne	Hutchinson	Martinez	Steans
Collins, A.	Jacobs	McCann	Sullivan
Crotty	Johnson, C.	Muñoz	Wilhelmi
Dillard	Jones, E.	Noland	Mr. President
Forby	Koehler	Radogno	
Frerichs	Kotowski	Raoul	
Garrett	Lightford	Righter	
Haine	Link	Sandoval	

The following voted in the negative:

Bivins	LaHood	Mulroe	Syverson
Cultra	Landek	Murphy	
Duffy	Lauzen	Pankau	
Johnson, T.	McCarter	Sandack	
Jones, J.	Millner	Schmidt	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1, 2 and 3 to **Senate Bill No. 2458**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

Senator Bivins asked and obtained unanimous consent for the Journal to reflect his intention to have voted in the affirmative on **Senate Bill No. 2458**.

Senator Rezin asked and obtained unanimous consent for the Journal to reflect her intention to have voted in the affirmative on **Senate Bill No. 2458**.

On motion of Senator Link, **Senate Bill No. 72**, with House Amendments numbered 4 and 5 on the Secretary's Desk, was taken up for immediate consideration.

Senator Link moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

YEAS 53; NAY 1.

The following voted in the affirmative:

Bivins	Holmes	Maloney	Sandack
Bomke	Hunter	Martinez	Sandoval
Brady	Hutchinson	McCann	Schmidt
Clayborne	Jacobs	McCarter	Schoenberg
Collins, A.	Johnson, C.	Millner	Silverstein
Crotty	Jones, E.	Mulroe	Steans
Cultra	Jones, J.	Muñoz	Sullivan
Dillard	Koehler	Murphy	Syverson
Duffy	Kotowski	Noland	Trotter
Forby	LaHood	Pankau	Wilhelmi

Frerichs	Landek	Radogno	Mr. President
Garrett	Lightford	Raoul	
Haine	Link	Rezin	
Harmon	Luechtefeld	Righter	

The following voted in the negative:

Lauzen

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 4 and 5 to **Senate Bill No. 72**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 2:12 o'clock p.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 2:18 o'clock a.m. the Senate resumed consideration of business.
Senator Clayborne, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 10, 2011 meeting, reported that the following Legislative Measure has been approved for consideration:

Senate Resolution No. 446

The foregoing resolution was placed on the Secretary's Desk.

CONSIDERATION OF HOUSE BILLS VETOED BY THE GOVERNOR

Pursuant to the Motion in Writing filed on Wednesday, November 9, 2011 and journalized Wednesday, November 9, 2011, Senator J. Jones moved that **House Bill No. 3178** do pass, the veto of the Governor to the contrary notwithstanding.

And on that motion, a call of the roll was had resulting as follows:

YEAS 52; NAYS None.

The following voted in the affirmative:

Bivins	Hunter	Luechtefeld	Sandack
Bomke	Hutchinson	Maloney	Schmidt
Brady	Jacobs	McCann	Schoenberg
Clayborne	Johnson, C.	McCarter	Silverstein
Crotty	Johnson, T.	Millner	Steans
Cultra	Jones, E.	Mulroe	Sullivan
Dillard	Jones, J.	Muñoz	Syverson
Duffy	Koehler	Murphy	Trotter
Forby	Kotowski	Noland	Wilhelmi
Frerichs	LaHood	Pankau	Mr. President
Garrett	Landek	Radogno	
Haine	Lauzen	Raoul	
Harmon	Lightford	Rezin	
Holmes	Link	Righter	

[November 10, 2011]

This bill, having received the vote of three-fifths of the members elected, was declared passed, the veto of the Governor to the contrary notwithstanding.

Ordered that the Secretary inform the House of Representatives thereof.

Pursuant to the Motion in Writing filed on Tuesday, November 8, 2011 and journalized Tuesday, November 8, 2011, Senator Righter moved to accept the Governor's specific recommendations for change to **House Bill No. 190**.

And on that motion, a call of the roll was had resulting as follows:

YEAS 50; NAY 1.

The following voted in the affirmative:

Bivins	Holmes	Luechtefeld	Rezin
Bomke	Hutchinson	Maloney	Righter
Brady	Johnson, C.	Martinez	Sandack
Clayborne	Johnson, T.	McCann	Sandoval
Crotty	Jones, E.	McCarter	Schmidt
Cultra	Jones, J.	Millner	Schoenberg
Dillard	Koehler	Mulroe	Silverstein
Duffy	Kotowski	Muñoz	Sullivan
Forby	LaHood	Murphy	Syverson
Frerichs	Landek	Noland	Wilhelmi
Garrett	Lauzen	Pankau	Mr. President
Haine	Lightford	Radogno	
Harmon	Link	Raoul	

The following voted in the negative:

Steans

The motion prevailed.

And the Senate concurred with the House in the adoption of the Governor's specific recommendations for change to House Bill No. 190.

Ordered that the Secretary inform the House of Representatives thereof.

Pursuant to the Motion in Writing filed on Wednesday, November 9, 2011 and journalized Wednesday, November 9, 2011, Senator Forby moved that **House Bill No. 2860** do pass, the specific recommendations of the Governor to the contrary notwithstanding.

And on that motion, a call of the roll was had resulting as follows:

YEAS 45; NAYS 6.

The following voted in the affirmative:

Bivins	Hutchinson	Luechtefeld	Rezin
Bomke	Jacobs	Maloney	Righter
Clayborne	Johnson, C.	Martinez	Sandack
Crotty	Johnson, T.	McCann	Schmidt
Cultra	Jones, E.	McCarter	Silverstein
Dillard	Jones, J.	Millner	Sullivan
Duffy	Koehler	Mulroe	Syverson
Forby	Kotowski	Murphy	Trotter
Frerichs	LaHood	Noland	Wilhelmi
Haine	Landek	Pankau	
Holmes	Lauzen	Radogno	
Hunter	Link	Raoul	

The following voted in the negative:

[November 10, 2011]

Garrett	Lightford	Steans
Harmon	Schoenberg	Mr. President

This bill, having received the vote of three-fifths of the members elected, was declared passed, the specific recommendations of the Governor to the contrary notwithstanding.

Ordered that the Secretary inform the House of Representatives thereof.

Senator Kotowski asked and obtained unanimous consent for the Journal to reflect his intention to have voted in the negative on **House Bill No. 2860**.

HOUSE BILL RECALLED

On motion of Senator Raoul, **House Bill No. 3815** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 3815

AMENDMENT NO. 2. Amend House Bill 3815, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 2, line 7, by deleting "to special duty assignments"; and

on page 2, line 11, by replacing "an officer president" with "president"; and

on page 2, by replacing lines 12 through 18 with "Firemen's Association of Chicago, provided that for all leaves of absence or other authorized relief under this item (f), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the fireman; and

on page 2, line 21, by replacing "statute)" with "statute".

The motion prevailed.

And the amendment was adopted and ordered printed.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Raoul, **House Bill No. 3815** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 37; NAYS 11; Present 4.

The following voted in the affirmative:

Brady	Johnson, T.	McCann	Schoenberg
Clayborne	Jones, E.	Millner	Silverstein
Crotty	Koehler	Mulroe	Steans
Forby	Kotowski	Muñoz	Sullivan
Frerichs	LaHood	Noland	Trotter
Haine	Landek	Pankau	Wilhelmi
Harmon	Lightford	Radogno	Mr. President
Holmes	Link	Raoul	
Hunter	Maloney	Rezin	
Hutchinson	Martinez	Sandoval	

The following voted in the negative:

Bivins	Johnson, C.	Murphy	Schmidt
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Cultra
Duffy

Lauzen
McCarter

Righter
Sandack

Syverson

The following voted present:

Bomke
Dillard

Jones, J.
Luechtefeld

This roll call verified.

This bill, having received the vote of three-fifths of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILL RECALLED

On motion of Senator Raoul, **House Bill No. 3813** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 3813

AMENDMENT NO. 2. Amend House Bill 3813, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 1, line 5, immediately after "6-209," by inserting "8-138,"; and

on page 1, line 6, immediately after "9-219," by inserting "11-134"; and

on page 18, line 25, by deleting "to"; and

on page 18, line 26, by deleting "special duty assignments"; and

on page 23, immediately below line 10, by inserting the following:

"(40 ILCS 5/8-138) (from Ch. 108 1/2, par. 8-138)

Sec. 8-138. Minimum annuities - Additional provisions.

(a) An employee who withdraws after age 65 or more with at least 20 years of service, for whom the amount of age and service and prior service annuity combined is less than the amount stated in this Section, shall from the date of withdrawal, instead of all annuities otherwise provided, be entitled to receive an annuity for life of \$150 a year, plus 1 1/2% for each year of service, to and including 20 years, and 1 2/3% for each year of service over 20 years, of his highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal.

An employee who withdraws after 20 or more years of service, before age 65, shall be entitled to such annuity, to begin not earlier than upon attained age of 55 years if under such age at withdrawal, reduced by 2% for each full year or fractional part thereof that his attained age is less than 65, plus an additional 2% reduction for each full year or fractional part thereof that his attained age when annuity is to begin is less than 60 so that the total reduction at age 55 shall be 30%.

(b) An employee who withdraws after July 1, 1957, at age 60 or over, with 20 or more years of service, for whom the age and service and prior service annuity combined, is less than the amount stated in this paragraph, shall, from the date of withdrawal, instead of such annuities, be entitled to receive an annuity for life equal to 1 2/3% for each year of service, of the highest average annual salary for any 5 consecutive years within the last 10 years of service immediately preceding the date of withdrawal; provided, that in the case of any employee who withdraws on or after July 1, 1971, such employee age 60 or over with 20 or more years of service, shall receive an annuity for life equal to 1.67% for each of the first 10 years of service; 1.90% for each of the next 10 years of service; 2.10% for each year of service in excess of 20 but not exceeding 30; and 2.30% for each year of service in excess of 30, based on the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal.

An employee who withdraws after July 1, 1957 and before January 1, 1988, with 20 or more years of service, before age 60 years is entitled to annuity, to begin not earlier than upon attained age of 55 years, if under such age at withdrawal, as computed in the last preceding paragraph, reduced 0.25% for each

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full month or fractional part thereof that his attained age when annuity is to begin is less than 60 if the employee was born before January 1, 1936, or 0.5% for each such month if the employee was born on or after January 1, 1936.

Any employee born before January 1, 1936, who withdraws with 20 or more years of service, and any employee with 20 or more years of service who withdraws on or after January 1, 1988, may elect to receive, in lieu of any other employee annuity provided in this Section, an annuity for life equal to 1.80% for each of the first 10 years of service, 2.00% for each of the next 10 years of service, 2.20% for each year of service in excess of 20 but not exceeding 30, and 2.40% for each year of service in excess of 30, of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal, to begin not earlier than upon attained age of 55 years, if under such age at withdrawal, reduced 0.25% for each full month or fractional part thereof that his attained age when annuity is to begin is less than 60; except that an employee retiring on or after January 1, 1988, at age 55 or over but less than age 60, having at least 35 years of service, or an employee retiring on or after July 1, 1990, at age 55 or over but less than age 60, having at least 30 years of service, or an employee retiring on or after the effective date of this amendatory Act of 1997, at age 55 or over but less than age 60, having at least 25 years of service, shall not be subject to the reduction in retirement annuity because of retirement below age 60.

However, in the case of an employee who retired on or after January 1, 1985 but before January 1, 1988, at age 55 or older and with at least 35 years of service, and who was subject under this subsection (b) to the reduction in retirement annuity because of retirement below age 60, that reduction shall cease to be effective January 1, 1991, and the retirement annuity shall be recalculated accordingly.

Any employee who withdraws on or after July 1, 1990, with 20 or more years of service, may elect to receive, in lieu of any other employee annuity provided in this Section, an annuity for life equal to 2.20% for each year of service if withdrawal is before January 1, 2002, or 2.40% for each year of service if withdrawal is on or after January 1, 2002, of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal, to begin not earlier than upon attained age of 55 years, if under such age at withdrawal, reduced 0.25% for each full month or fractional part thereof that his attained age when annuity is to begin is less than 60; except that an employee retiring at age 55 or over but less than age 60, having at least 30 years of service, shall not be subject to the reduction in retirement annuity because of retirement below age 60.

Any employee who withdraws on or after the effective date of this amendatory Act of 1997 with 20 or more years of service may elect to receive, in lieu of any other employee annuity provided in this Section, an annuity for life equal to 2.20% for each year of service, if withdrawal is before January 1, 2002, or 2.40% for each year of service if withdrawal is on or after January 1, 2002, of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal, to begin not earlier than upon attainment of age 55 (age 50 if the employee has at least 30 years of service), reduced 0.25% for each full month or remaining fractional part thereof that the employee's attained age when annuity is to begin is less than 60; except that an employee retiring at age 50 or over with at least 30 years of service or at age 55 or over with at least 25 years of service shall not be subject to the reduction in retirement annuity because of retirement below age 60.

The maximum annuity payable under part (a) and (b) of this Section shall not exceed 70% of highest average annual salary in the case of an employee who withdraws prior to July 1, 1971, 75% if withdrawal takes place on or after July 1, 1971 and prior to January 1, 2002, or 80% if withdrawal takes place on or after January 1, 2002. For the purpose of the minimum annuity provided in this Section \$1,500 is considered the minimum annual salary for any year; and the maximum annual salary for the computation of such annuity is \$4,800 for any year before 1953, \$6000 for the years 1953 to 1956, inclusive, and the actual annual salary, as salary is defined in this Article, for any year thereafter.

To preserve rights existing on December 31, 1959, for participants and contributors on that date to the fund created by the Court and Law Department Employees' Annuity Act, who became participants in the fund provided for on January 1, 1960, the maximum annual salary to be considered for such persons for the years 1955 and 1956 is \$7,500.

(c) For an employee receiving disability benefit, his salary for annuity purposes under paragraphs (a) and (b) of this Section, for all periods of disability benefit subsequent to the year 1956, is the amount on which his disability benefit was based.

(d) An employee with 20 or more years of service, whose entire disability benefit credit period expires before attainment of age 55 while still disabled for service, is entitled upon withdrawal to the larger of (1) the minimum annuity provided above, assuming he is then age 55, and reducing such annuity to its actuarial equivalent as of his attained age on such date or (2) the annuity provided from his age and

service and prior service annuity credits.

(e) The minimum annuity provisions do not apply to any former municipal employee receiving an annuity from the fund who re-enters service as a municipal employee, unless he renders at least 3 years of additional service after the date of re-entry.

(f) An employee in service on July 1, 1947, or who became a contributor after July 1, 1947 and before attainment of age 70, who withdraws after age 65, with less than 20 years of service for whom the annuity has been fixed under this Article shall, instead of the annuity so fixed, receive an annuity as follows:

Such amount as he could have received had the accumulated amounts for annuity been improved with interest at the effective rate to the date of his withdrawal, or to attainment of age 70, whichever is earlier, and had the city contributed to such earlier date for age and service annuity the amount that it would have contributed had he been under age 65, after the date his annuity was fixed in accordance with this Article, and assuming his annuity were computed from such accumulations as of his age on such earlier date. The annuity so computed shall not exceed the annuity which would be payable under the other provisions of this Section if the employee was credited with 20 years of service and would qualify for annuity thereunder.

(g) Instead of the annuity provided in this Article, an employee having attained age 65 with at least 15 years of service who withdraws from service on or after July 1, 1971 and whose annuity computed under other provisions of this Article is less than the amount provided under this paragraph, is entitled to a minimum annuity for life equal to 1% of the highest average annual salary, as salary is defined and limited in this Section for any 4 consecutive years within the last 10 years of service for each year of service, plus the sum of \$25 for each year of service. The annuity shall not exceed 60% of such highest average annual salary.

(g-1) Instead of any other retirement annuity provided in this Article, an employee who has at least 10 years of service and withdraws from service on or after January 1, 1999 may elect to receive a retirement annuity for life, beginning no earlier than upon attainment of age 60, equal to 2.2% if withdrawal is before January 1, 2002, or 2.4% if withdrawal is on or after January 1, 2002, of final average salary for each year of service, subject to a maximum of 75% of final average salary if withdrawal is before January 1, 2002, or 80% if withdrawal is on or after January 1, 2002. For the purpose of calculating this annuity, "final average salary" means the highest average annual salary for any 4 consecutive years in the last 10 years of service. Notwithstanding any provision of this subsection to the contrary, the "final average salary" for a participant that received credit under subsection (c) of Section 8-226 means the highest average salary for any 4 consecutive years (or any 8 consecutive years if the employee first became a participant on or after January 1, 2011) in the 10 years immediately prior to the leave of absence, and adding to that highest average salary, the product of (i) that highest average salary, (ii) the average percentage increase in the Consumer Price Index during each 12-month calendar year for the calendar years during the participant's leave of absence, and (iii) the length of the leave of absence in years, provided that this shall not exceed the participant's salary at the local labor organization. For purposes of this Section, the Consumer Price Index is the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

(h) The minimum annuities provided under this Section shall be paid in equal monthly installments.

(i) The amendatory provisions of part (b) and (g) of this Section shall be effective July 1, 1971 and apply in the case of every qualifying employee withdrawing on or after July 1, 1971.

(j) The amendatory provisions of this amendatory Act of 1985 (P.A. 84-23) relating to the discount of annuity because of retirement prior to attainment of age 60, and to the retirement formula, for those born before January 1, 1936, shall apply only to qualifying employees withdrawing on or after July 18, 1985.

(j-1) The changes made to this Section by Public Act 92-609 (increasing the retirement formula to 2.4% per year of service and increasing the maximum to 80%) apply to persons who withdraw from service on or after January 1, 2002, regardless of whether that withdrawal takes place before the effective date of that Act. In the case of a person who withdraws from service on or after January 1, 2002 but begins to receive a retirement annuity before July 1, 2002, the annuity shall be recalculated, with the increase resulting from Public Act 92-609 accruing from the date the retirement annuity began. The changes made by Public Act 92-609 control over the changes made by Public Act 92-599, as provided in Section 95 of P.A. 92-609.

(k) Beginning on January 1, 1999, the minimum amount of employee's annuity shall be \$850 per month for life for the following classes of employees, without regard to the fact that withdrawal occurred prior to the effective date of this amendatory Act of 1998:

(1) any employee annuitant alive and receiving a life annuity on the effective date of this amendatory Act of 1998, except a reciprocal annuity;

(2) any employee annuitant alive and receiving a term annuity on the effective date of this amendatory Act of 1998, except a reciprocal annuity;

(3) any employee annuitant alive and receiving a reciprocal annuity on the effective date of this amendatory Act of 1998, whose service in this fund is at least 5 years;

(4) any employee annuitant withdrawing after age 60 on or after the effective date of this amendatory Act of 1998, with at least 10 years of service in this fund.

The increases granted under items (1), (2) and (3) of this subsection (k) shall not be limited by any other Section of this Act.

(Source: P.A. 95-331, eff. 8-21-07.); and

on page 35, immediately below line 16, by inserting the following:

"(40 ILCS 5/11-134) (from Ch. 108 1/2, par. 11-134)

Sec. 11-134. Minimum annuities.

(a) An employee whose withdrawal occurs after July 1, 1957 at age 60 or over, with 20 or more years of service, (as service is defined or computed in Section 11-216), for whom the age and service and prior service annuity combined is less than the amount stated in this Section, shall, from and after the date of withdrawal, in lieu of all annuities otherwise provided in this Article, be entitled to receive an annuity for life of an amount equal to 1 2/3% for each year of service, of the highest average annual salary for any 5 consecutive years within the last 10 years of service immediately preceding the date of withdrawal; provided, that in the case of any employee who withdraws on or after July 1, 1971, such employee age 60 or over with 20 or more years of service, shall be entitled to instead receive an annuity for life equal to 1.67% for each of the first 10 years of service; 1.90% for each of the next 10 years of service; 2.10% for each year of service in excess of 20 but not exceeding 30; and 2.30% for each year of service in excess of 30, based on the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal.

An employee who withdraws after July 1, 1957 and before January 1, 1988, with 20 or more years of service, before age 60, shall be entitled to an annuity, to begin not earlier than age 55, if under such age at withdrawal, as computed in the last preceding paragraph, reduced 0.25% if the employee was born before January 1, 1936, or 0.5% if the employee was born on or after January 1, 1936, for each full month or fractional part thereof that his attained age when such annuity is to begin is less than 60.

Any employee born before January 1, 1936 who withdraws with 20 or more years of service, and any employee with 20 or more years of service who withdraws on or after January 1, 1988, may elect to receive, in lieu of any other employee annuity provided in this Section, an annuity for life equal to 1.80% for each of the first 10 years of service, 2.00% for each of the next 10 years of service, 2.20% for each year of service in excess of 20, but not exceeding 30, and 2.40% for each year of service in excess of 30, of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal, to begin not earlier than upon attained age of 55 years, if under such age at withdrawal, reduced 0.25% for each full month or fractional part thereof that his attained age when annuity is to begin is less than 60; except that an employee retiring on or after January 1, 1988, at age 55 or over but less than age 60, having at least 35 years of service, or an employee retiring on or after July 1, 1990, at age 55 or over but less than age 60, having at least 30 years of service, or an employee retiring on or after the effective date of this amendatory Act of 1997, at age 55 or over but less than age 60, having at least 25 years of service, shall not be subject to the reduction in retirement annuity because of retirement below age 60.

However, in the case of an employee who retired on or after January 1, 1985 but before January 1, 1988, at age 55 or older and with at least 35 years of service, and who was subject under this subsection (a) to the reduction in retirement annuity because of retirement below age 60, that reduction shall cease to be effective January 1, 1991, and the retirement annuity shall be recalculated accordingly.

Any employee who withdraws on or after July 1, 1990, with 20 or more years of service, may elect to receive, in lieu of any other employee annuity provided in this Section, an annuity for life equal to 2.20% for each year of service if withdrawal is before January 1, 2002, or 2.40% for each year of service if withdrawal is on or after January 1, 2002, of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal, to begin not earlier than upon attained age of 55 years, if under such age at withdrawal, reduced 0.25% for each full month or fractional part thereof that his attained age when annuity is to begin is less than 60; except that an employee retiring at age 55 or over but less than age 60, having at least 30 years of service, shall not be subject to the reduction in retirement annuity because of retirement below age 60.

Any employee who withdraws on or after the effective date of this amendatory Act of 1997 with 20 or more years of service may elect to receive, in lieu of any other employee annuity provided in this

Section, an annuity for life equal to 2.20% for each year of service if withdrawal is before January 1, 2002, or 2.40% for each year of service if withdrawal is on or after January 1, 2002, of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal, to begin not earlier than upon attainment of age 55 (age 50 if the employee has at least 30 years of service), reduced 0.25% for each full month or remaining fractional part thereof that the employee's attained age when annuity is to begin is less than 60; except that an employee retiring at age 50 or over with at least 30 years of service or at age 55 or over with at least 25 years of service shall not be subject to the reduction in retirement annuity because of retirement below age 60.

The maximum annuity payable under this paragraph (a) of this Section shall not exceed 70% of highest average annual salary in the case of an employee who withdraws prior to July 1, 1971, 75% if withdrawal takes place on or after July 1, 1971 and prior to January 1, 2002, or 80% if withdrawal is on or after January 1, 2002. For the purpose of the minimum annuity provided in said paragraphs \$1,500 shall be considered the minimum annual salary for any year; and the maximum annual salary to be considered for the computation of such annuity shall be \$4,800 for any year prior to 1953, \$6,000 for the years 1953 to 1956, inclusive, and the actual annual salary, as salary is defined in this Article, for any year thereafter.

(b) For an employee receiving disability benefit, his salary for annuity purposes under this Section shall, for all periods of disability benefit subsequent to the year 1956, be the amount on which his disability benefit was based.

(c) An employee with 20 or more years of service, whose entire disability benefit credit period expires prior to attainment of age 55 while still disabled for service, shall be entitled upon withdrawal to the larger of (1) the minimum annuity provided above assuming that he is then age 55, and reducing such annuity to its actuarial equivalent at his attained age on such date, or (2) the annuity provided from his age and service and prior service annuity credits.

(d) The minimum annuity provisions as aforesaid shall not apply to any former employee receiving an annuity from the fund, and who re-enters service as an employee, unless he renders at least 3 years of additional service after the date of re-entry.

(e) An employee in service on July 1, 1947, or who became a contributor after July 1, 1947 and prior to July 1, 1950, or who shall become a contributor to the fund after July 1, 1950 prior to attainment of age 70, who withdraws after age 65 with less than 20 years of service, for whom the annuity has been fixed under the foregoing Sections of this Article shall, in lieu of the annuity so fixed, receive an annuity as follows:

Such amount as he could have received had the accumulated amounts for annuity been improved with interest at the effective rate to the date of his withdrawal, or to attainment of age 70, whichever is earlier, and had the city contributed to such earlier date for age and service annuity the amount that would have been contributed had he been under age 65, after the date his annuity was fixed in accordance with this Article, and assuming his annuity were computed from such accumulations as of his age on such earlier date. The annuity so computed shall not exceed the annuity which would be payable under the other provisions of this Section if the employee was credited with 20 years of service and would qualify for annuity thereunder.

(f) In lieu of the annuity provided in this or in any other Section of this Article, an employee having attained age 65 with at least 15 years of service who withdraws from service on or after July 1, 1971 and whose annuity computed under other provisions of this Article is less than the amount provided under this paragraph shall be entitled to receive a minimum annual annuity for life equal to 1% of the highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding retirement for each year of his service plus the sum of \$25 for each year of service. Such annual annuity shall not exceed the maximum percentages stated under paragraph (a) of this Section of such highest average annual salary.

(f-1) Instead of any other retirement annuity provided in this Article, an employee who has at least 10 years of service and withdraws from service on or after January 1, 1999 may elect to receive a retirement annuity for life, beginning no earlier than upon attainment of age 60, equal to 2.2% if withdrawal is before January 1, 2002, or 2.4% for each year of service if withdrawal is on or after January 1, 2002, of final average salary for each year of service, subject to a maximum of 75% of final average salary if withdrawal is before January 1, 2002, or 80% if withdrawal is on or after January 1, 2002. For the purpose of calculating this annuity, "final average salary" means the highest average annual salary for any 4 consecutive years in the last 10 years of service. Notwithstanding any provision of this subsection to the contrary, the "final average salary" for a participant that received credit under item (3) of subsection (c) of Section 11-215 means the highest average salary for any 4 consecutive years (or any 8

consecutive years if the employee first became a participant on or after January 1, 2011) in the 10 years immediately prior to the leave of absence, and adding to that highest average salary, the product of (i) that highest average salary, (ii) the average percentage increase in the Consumer Price Index during each 12-month calendar year for the calendar years during the participant's leave of absence, and (iii) the length of the leave of absence in years, provided that this shall not exceed the participant's salary at the local labor organization. For purposes of this Section, the Consumer Price Index is the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

(g) Any annuity payable under the preceding subsections of this Section 11-134 shall be paid in equal monthly installments.

(h) The amendatory provisions of part (a) and (f) of this Section shall be effective July 1, 1971 and apply in the case of every qualifying employee withdrawing on or after July 1, 1971.

(h-1) The changes made to this Section by Public Act 92-609 (increasing the retirement formula to 2.4% per year of service and increasing the maximum to 80%) apply to persons who withdraw from service on or after January 1, 2002, regardless of whether that withdrawal takes place before the effective date of that Act. In the case of a person who withdraws from service on or after January 1, 2002 but begins to receive a retirement annuity before July 1, 2002, the annuity shall be recalculated, with the increase resulting from Public Act 92-609 accruing from the date the retirement annuity began. The changes made by Public Act 92-609 control over the changes made by Public Act 92-599, as provided in Section 95 of P.A. 92-609.

(i) The amendatory provisions of this amendatory Act of 1985 relating to the discount of annuity because of retirement prior to attainment of age 60 and increasing the retirement formula for those born before January 1, 1936, shall apply only to qualifying employees withdrawing on or after August 16, 1985.

(j) Beginning on January 1, 1999, the minimum amount of employee's annuity shall be \$850 per month for life for the following classes of employees, without regard to the fact that withdrawal occurred prior to the effective date of this amendatory Act of 1998:

- (1) any employee annuitant alive and receiving a life annuity on the effective date of this amendatory Act of 1998, except a reciprocal annuity;
- (2) any employee annuitant alive and receiving a term annuity on the effective date of this amendatory Act of 1998, except a reciprocal annuity;
- (3) any employee annuitant alive and receiving a reciprocal annuity on the effective date of this amendatory Act of 1998, whose service in this fund is at least 5 years;
- (4) any employee annuitant withdrawing after age 60 on or after the effective date of this amendatory Act of 1998, with at least 10 years of service in this fund.

The increases granted under items (1), (2) and (3) of this subsection (j) shall not be limited by any other Section of this Act.

(Source: P.A. 95-331, eff. 8-21-07.)"; and

on page 47, line 2, immediately after "participant", by inserting "before the effective date of this amendatory Act of the 97th General Assembly"; and

on page 50, line 22, immediately after "member", by inserting "before the effective date of this amendatory Act of the 97th General Assembly"; and

on page 59, immediately above line 1, by inserting the following:

"Section 98. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes."

The motion prevailed.

And the amendment was adopted and ordered printed.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Raoul, **House Bill No. 3813** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

[November 10, 2011]

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 50; NAYS None; Present 1.

The following voted in the affirmative:

Bivins	Hunter	Luechtefeld	Righter
Bomke	Hutchinson	Maloney	Sandack
Brady	Johnson, C.	Martinez	Schmidt
Clayborne	Johnson, T.	McCann	Schoenberg
Crotty	Jones, E.	McCarter	Silverstein
Cultra	Jones, J.	Mulroe	Steans
Dillard	Koehler	Muñoz	Sullivan
Duffy	Kotowski	Murphy	Syverson
Forby	LaHood	Noland	Trotter
Frerichs	Landek	Pankau	Wilhelmi
Garrett	Lauzen	Radogno	Mr. President
Haine	Lightford	Raoul	
Harmon	Link	Rezin	

The following voted present:

Sandoval

This bill, having received the vote of three-fifths of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Schmidt, **House Bill No. 508** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Harmon, **House Bill No. 588** was taken up, read by title a second time and ordered to a third reading.

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILL ON SECRETARY’S DESK

On motion of Senator Frerichs, **Senate Bill No. 1750**, with House Amendments numbered 1 and 2 on the Secretary’s Desk, was taken up for immediate consideration.

Senator Frerichs moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

YEAS 53; NAYS None.

The following voted in the affirmative:

Bivins	Hunter	Maloney	Sandack
Bomke	Hutchinson	Martinez	Sandoval
Brady	Johnson, C.	McCann	Schmidt
Clayborne	Johnson, T.	McCarter	Schoenberg
Crotty	Jones, E.	Millner	Silverstein
Cultra	Jones, J.	Mulroe	Steans
Dillard	Koehler	Muñoz	Sullivan

Duffy	Kotowski	Murphy	Syverson
Forby	LaHood	Noland	Trotter
Frerichs	Landek	Pankau	Wilhelmi
Garrett	Lauzen	Radogno	Mr. President
Haine	Lightford	Raoul	
Harmon	Link	Rezin	
Holmes	Luechtefeld	Righter	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 1750**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

CONSIDERATION OF RESOLUTION ON SECRETARY'S DESK

Senator Radogno moved that **Senate Resolution No. 446**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Radogno moved that Senate Resolution No. 446 be adopted.

And on that motion, a call of the roll was had resulting as follows:

YEAS 53; NAYS None.

The following voted in the affirmative:

Bivins	Hunter	Maloney	Sandack
Bomke	Hutchinson	Martinez	Sandoval
Brady	Johnson, C.	McCann	Schmidt
Clayborne	Johnson, T.	McCarter	Schoenberg
Crotty	Jones, E.	Millner	Silverstein
Cultra	Jones, J.	Mulroe	Steans
Dillard	Koehler	Muñoz	Sullivan
Duffy	Kotowski	Murphy	Syverson
Forby	LaHood	Noland	Trotter
Frerichs	Landek	Pankau	Wilhelmi
Garrett	Lauzen	Radogno	Mr. President
Haine	Lightford	Raoul	
Harmon	Link	Rezin	
Holmes	Luechtefeld	Righter	

The motion prevailed.

And the resolution was adopted.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Hutchinson, **House Bill No. 384** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Bivins	Hunter	Maloney	Sandack
Bomke	Hutchinson	Martinez	Sandoval

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Brady	Johnson, C.	McCann	Schmidt
Clayborne	Johnson, T.	McCarter	Schoenberg
Crotty	Jones, E.	Millner	Silverstein
Cultra	Jones, J.	Mulroe	Steans
Dillard	Koehler	Muñoz	Sullivan
Duffy	Kotowski	Murphy	Syverson
Forby	LaHood	Noland	Trotter
Frerichs	Landek	Pankau	Wilhelmi
Garrett	Lauzen	Radogno	Mr. President
Haine	Lightford	Raoul	
Harmon	Link	Rezin	
Holmes	Luechtefeld	Righter	

This bill, having received the vote of three-fifths of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Rezin, **House Bill No. 606** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 51; NAYS None.

The following voted in the affirmative:

Bivins	Holmes	Luechtefeld	Righter
Bomke	Hunter	Maloney	Sandack
Brady	Hutchinson	Martinez	Sandoval
Clayborne	Johnson, C.	McCann	Schmidt
Crotty	Johnson, T.	McCarter	Schoenberg
Cultra	Jones, E.	Millner	Silverstein
Dillard	Jones, J.	Mulroe	Steans
Duffy	Koehler	Murphy	Sullivan
Forby	LaHood	Noland	Syverson
Frerichs	Landek	Pankau	Trotter
Garrett	Lauzen	Radogno	Wilhelmi
Haine	Lightford	Raoul	Mr. President
Harmon	Link	Rezin	

This bill, having received the vote of three-fifths of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

PRESENTATION OF RESOLUTION

Senator Murphy offered the following Senate Resolution:

SENATE RESOLUTION NO. 450

WHEREAS, The members of the Illinois Senate wish to honor the life of former Illinois State Senator Wendell E. Jones, formerly of Palatine, who passed away on October 25, 2011; and

WHEREAS, Senator Wendell Jones was an exemplary lawmaker who was held in high regard for his 9 years of public service in the Illinois Senate; and

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WHEREAS, He was born on November 4, 1937 in Battle Creek, Michigan; he attended Ball State University, where he received his B.S. in Speech and Hearing Therapy and an M.S. in Special Education; and

WHEREAS, He started his 24-year educational career as a speech therapist for District 15 in Palatine and later became the director of Special Education; in addition, he later served as an Assistant Superintendent in Cook County; he later became the Director of the DuPage/West Cook Regional Special Education Association; and

WHEREAS, He was also successful in business, serving as a salesman for Clayton Metals, Co. and forming Wenco, a promotional products company; and

WHEREAS, He served as the Palatine Village President and as a Trustee, for one term in each office; he was a delegate to the 1980 Republican National Convention; and he served as a Republican precinct captain for 40 years; and

WHEREAS, Senator Jones sponsored laws to protect children from sex offenders, to reopen the "world-class" Arlington International Race Course, and to support charter school reform; he helped to pass the Illinois Safe Neighborhoods Act; and

WHEREAS, He was a strong advocate for funding special education and mental health programs; and

WHEREAS, Senator Jones served with distinction on the Northwest Suburban Alliance on Domestic Violence and fought for domestic violence shelters like the Women In Need Growing Stronger (WINGS) in his district; and

WHEREAS, Senator Jones supported legislation to protect the environment and helped to develop the Wilke Marsh with the Palatine Park District; and

WHEREAS, Senator Jones was a member of the Senate Committees on Appropriations, Local Government, Revenue, and Property Tax Reform; and

WHEREAS, Senator Jones served as the Vice Chairman for the Senate Committee on Financial Institutions and as the Minority Spokesman for the Housing and Community Affairs Committee; and

WHEREAS, Senator Jones led a distinguished group of lawmakers with the informal Capitol Committee on Currency Exchanges; and

WHEREAS, He always kept Illinois Senate committees in stitches with his humor; and

WHEREAS, Senator Jones was never at a loss for words or a good one-liner when it came to debating the Illinois budget; he admired the man who once said, "The 9 most terrifying words in the English language are: "I'm from the government, and I'm here to help"; and

WHEREAS, Senator Jones and his wife reluctantly found the climate of Florida to be more hospitable and chose to retire in the warmth of the Sunshine State; and

WHEREAS, He was preceded in death by his sister-in-law, Dr. Doris Allen; and

WHEREAS, Senator Wendell Jones is survived by his loving wife of 51 years, Jane Ellen (Condon); his beloved children, Timothy W. Jones, Julie A. (Thomas) Healy, and Janell L. Chandler; he took great pride in spoiling his 4 cherished grandchildren, Ryan, Micaela, McKayla, and Taylor; he is also survived by his brothers-in-law, James (Patricia) Condon and Warren (Carol) Condon; and 5 nieces; and

WHEREAS, The passing of Senator Wendell Jones will be deeply felt by his fellow legislators, admirers, and constituents, who will fondly remember him for his intelligence, compassion, wit, and graciousness; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we mourn, along with his family, friends, former constituents, and admirers,

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the passing of former State Senator Wendell Jones; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the family of former State Senator Wendell Jones as an expression of our respect and as a symbol of our sincere sympathy.

Senator Murphy, having asked and obtained unanimous consent to suspend the rules for the immediate consideration of the foregoing resolution, moved its adoption.

The motion prevailed.

And the resolution was adopted.

MESSAGE FROM THE HOUSE

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 50

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that when the two houses adjourn on Thursday, November 10, 2011, the House of Representatives stands adjourned until the call of the Speaker; and the Senate stands adjourned until the call of the President.

Adopted by the House, November 10, 2011.

TIMOTHY D. MAPES, Clerk of the House

By unanimous consent, on motion of Senator Link, the foregoing message reporting House Joint Resolution No. 50 was taken up for immediate consideration.

Senator Link moved that the Senate concur with the House in the adoption of the resolution.

The motion prevailed.

And the Senate concurred with the House in the adoption of the resolution.

Ordered that the Secretary inform the House of Representatives thereof.

RESOLUTIONS CONSENT CALENDAR

SENATE RESOLUTION NO. 405

Offered by Senator Link and all Senators:

Mourns the death of Louis Schimenti of Waukegan.

SENATE RESOLUTION NO. 406

Offered by Senator Link and all Senators:

Mourns the death of Robert B. Barnes of Wadsworth.

SENATE RESOLUTION NO. 407

Offered by Senator Link and all Senators:

Mourns the death of Adelaide E. Hughes of Waukegan.

SENATE RESOLUTION NO. 408

Offered by Senator Link and all Senators:

Mourns the death of Margaret Pauline "Marge" Gregorin, formerly of Beach Park and North Chicago.

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SENATE RESOLUTION NO. 409

Offered by Senator Forby and all Senators:
Mourns the death of James R. Bracy of Herrin.

SENATE RESOLUTION NO. 410

Offered by Senator LaHood and all Senators:
Mourns the death of Nancy L. Bearce of Washington.

SENATE RESOLUTION NO. 411

Offered by Senators Koehler - LaHood and all Senators:
Mourns the death of Sally Page of Peoria.

SENATE RESOLUTION NO. 412

Offered by Senator Lauzen and all Senators:
Mourns the death of Rosemary DeBartolo.

SENATE RESOLUTION NO. 413

Offered by Senator LaHood and all Senators:
Mourns the death of Ralph J. Coletta.

SENATE RESOLUTION NO. 414

Offered by Senator J. Collins and all Senators:
Mourns the death of Dr. William Eric "Doc" Perkins.

SENATE RESOLUTION NO. 415

Offered by Senator Koehler and all Senators:
Mourns the death of U. S. Marine Corps Lance Corporal Jordan Stephen Basteau of Pekin.

SENATE RESOLUTION NO. 416

Offered by Senator Wilhelmi and all Senators:
Mourns the death of John "Jack" Flanagan of Bolingbrook.

SENATE RESOLUTION NO. 417

Offered by Senator Wilhelmi and all Senators:
Mourns the death of John Joseph "Johnny" Gerl of Joliet.

SENATE RESOLUTION NO. 418

Offered by Senator Dillard and all Senators:
Mourns the death of Donald James Randa of Chicago.

SENATE RESOLUTION NO. 419

Offered by Senator Dillard and all Senators:
Mourns the death of Alan Guthrie Willis of Bolingbrook.

SENATE RESOLUTION NO. 420

Offered by Senator Kotowski and all Senators:
Mourns the death of Marcia Flanagan of Glenview, formerly of Wilmette.

SENATE RESOLUTION NO. 421

Offered by Senator Link and all Senators:
Mourns the death of Leo J. "Bear" Sullivan III of Gurnee.

SENATE RESOLUTION NO. 422

Offered by Senator Link and all Senators:
Mourns the death of Effie Mae Wroten of North Chicago.

SENATE RESOLUTION NO. 423

Offered by Senator Link and all Senators:
Mourns the death of Ambrose Frances Ferri of Waukegan.

SENATE RESOLUTION NO. 424

Offered by Senator Link and all Senators:
Mourns the death of Susan Mary Link of Gurnee.

SENATE RESOLUTION NO. 425

Offered by Senator Link and all Senators:
Mourns the death of Allan Morris Pickus, formerly of Waukegan.

SENATE RESOLUTION NO. 426

Offered by Senator Forby and all Senators:
Mourns the death of Joseph "Joe" J. Szczeblewski of DuQuoin.

SENATE RESOLUTION NO. 427

Offered by Senator Forby and all Senators:
Mourns the death of George William "Bill" Wilson of West Frankfort.

SENATE RESOLUTION NO. 428

Offered by Senator Haine and all Senators:
Mourns the death of Charles "Charlie" Henry Howland of Bethalto.

SENATE RESOLUTION NO. 429

Offered by Senator Haine and all Senators:
Mourns the death of Buford "Boots" Walters of Alton.

SENATE RESOLUTION NO. 430

Offered by Senator Dillard and all Senators:
Mourns the death of Joseph J. Gentile.

SENATE RESOLUTION NO. 433

Offered by Senator Schmidt and all Senators:
Mourns the death of U.S. Army Sergeant First Class David G. Robinson of Winthrop Harbor.

SENATE RESOLUTION NO. 436

Offered by Senator Crotty and all Senators:
Mourns the death of Robert Oehmen of Tinley Park.

SENATE RESOLUTION NO. 439

Offered by Senator Haine and all Senators:
Mourns the death of Dennis A. "Denny" Yost.

SENATE RESOLUTION NO. 440

Offered by Senator Haine and all Senators:
Mourns the death of Robert I. Knobbe.

SENATE RESOLUTION NO. 441

Offered by Senator Koehler and all Senators:
Mourns the death of Randy W. Waddell of Tremont.

SENATE RESOLUTION NO. 442

Offered by Senator J. Collins and all Senators:
Mourns the death of Dr. William Eric "Doc" Perkins.

SENATE RESOLUTION NO. 443

Offered by Senator Link and all Senators:
Mourns the death of Donald R. Herson of Stephenson, Michigan, formerly of North Chicago.

SENATE RESOLUTION NO. 444

Offered by Senator Althoff and all Senators:
Mourns the death of Cuma B. Justus of Woodstock.

SENATE RESOLUTION NO. 445

Offered by Senator Althoff and all Senators:
Mourns the death of Richard C. "Dick" Sorensen of Marengo.

SENATE RESOLUTION NO. 447

Offered by Senator Link and all Senators:
Mourns the death of Edward Davis of Kenosha, Wisconsin, formerly of North Chicago.

SENATE RESOLUTION NO. 448

Offered by Senator A. Collins and all Senators:
Mourns the death of Anthony L. Smith of Springfield.

SENATE RESOLUTION NO. 449

Offered by Senator Haine and all Senators:
Mourns the death of Margie Marie Tuttle of East Alton.

HOUSE JOINT RESOLUTION NO. 49

Offered by Senator Harmon:
Mourns the death of U.S. Army Corps Lance Corporal Nickolas Daniels of Elmwood Park.

The Chair moved the adoption of the Resolutions Consent Calendar. The motion prevailed, and the resolutions were adopted.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendments 1 and 3 to Senate Bill 1538

At the hour of 3:30 o'clock p.m., pursuant to **House Joint Resolution No. 50**, the Chair announced the Senate stand adjourned until the call of the President.