FIRST READING

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States Grapple With "No Child Left Behind"

The federal No Child Left Behind Act of 2001 sets a rising series of goals to be met until every child can learn proficiently in 2014. Each individual school, school district, and state must make progress in several areas to avoid federal aid reductions. States are struggling to meet the standards, and some are looking to Washington or the courts for relief.

Schools are expected to make "adequate yearly progress" (AYP) by raising the percentage of students who meet standards each year. A school failing to do so for two consecutive years will be put on School Improvement Status. In its first year in that status, a school must develop an improvement plan and allow students to transfer to other schools (and be transported by the district). If a school remains in that status for a second year, it must offer supplemental services such as tutoring, remediation, or intervention. A third consecutive year will bring stronger sanctions, including restructuring. Schools making AYP for two consecutive years will be removed from School Improvement Status.

Illinois uses three criteria to measure AYP: (1) the percentage of students who meet state standards in reading and math; (2) administration of state tests to over 95% of students; and (3) attendance rates in elementary and middle schools, and graduation rates in high schools. Individual schools, and a district overall, must meet each standard to be in compliance. In addition to testing the general student body, schools must test 95% of all students who are in subgroups of over 40 students in a school. (Subgroups consist of racial or ethnic groups, along with students who are economically disadvantaged, have disabilities, or have limited English proficiency.) Results for students fitting into more than one category are reported in each category into which they fit.

The Illinois Scholastic Achievement Test (ISAT) is given to students in grades 3, 5, and 8, and the Prairie State Achievement Exam (PSAE) to high school seniors. The Illinois Alternative Assessment test is used for special education students; bilingual students take the Illinois Measure of Growth in English Exam (IMAGE). The Act requires testing for students in grades 4-8, so Illinois is developing a testing system for grades 4, 6, and 7.

The Act also requires that all teachers in core curricula be highly qualified

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California Law Addresses Car Data Recorders

Some automakers have begun including devices in new vehicles that record data on their operation and keep the last few seconds of it if a crash occurs—somewhat like "black boxes" in airplanes. These recorders could improve traffic safety by helping investigators find causes of vehicle accidents. However, some advocates of driver privacy want to restrict their use. A 2003 California law limits how data from such recorders can be used after a crash.

This report was requested by Representative John A. Fritchey (D-11). who is considering a bill on the subject.

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ILLINOIS GENERAL ASSEMBLY LEGISLATIVE RESEARCH UNIT

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by the end of the 2005-2006 school year. Now only teachers in programs supported by Title I, and newly hired teachers, are required to be highly qualified. To be considered "highly qualified" a teacher must have a bachelor's degree and full state certification, and demonstrate competence in the subject. The State Board of Education is developing rules to implement these provisions.

Compliance

Illinois' revised report card under the Act, issued in late December, said that 1,688 (43%) of Illinois schools did not make AYP. But nearly 450 of those failed only the testing percentage for one or more subgroups.

States may be tempted to manipulate the system to keep their schools out of School Improvement Status, but the states' performance will also be assessed using long-run measures. The National Assessment of Educational Progress (NAEP) will be given to representative populations in all states to check their results. Illinois did well on the 2003 NAEP assessments, with the following ranks among all states:

Grade level	*Reading rank*	*Math rank*
4	11th	10th
8	7th	13th

Critics of the Act say that schools with high rates of poverty, non-English-speaking students, and student transfers must work harder than schools with more advantaged populations. Other critics ask whether funding accompanying the Act will cover its increased costs. Congress' General Accounting Office (GAO) recently suggested that the cost of new testing under the Act may burden the states. It projected that states will spend between $1.9 billion and $5.3 billion to test in 2002-2008, versus proposed federal aid for testing of only $2.3 billion. The report suggested that only 56% of Illinois' testing costs will be federally reimbursed if Illinois continues using the same methods.

Pressure to raise the scores of poorly performing students may end up harming gifted students. Cash-strapped states are shifting resources from programs for academically gifted students. Illinois eliminated the state's $19 million program for gifted students, and ceased requiring districts to identify and develop programs for them. At the same time the state raised spending on identifying preschoolers at risk of failure. To avoid being labeled as failing, some schools are focusing on raising test scores for low-performing students at the cost of those doing better on tests. Jefferson Middle School in Springfield is part of an effort to shrink class size for targeted low-achieving students to 20. This caused the class sizes for high-achieving students to grow to 30.

States and districts unhappy with the Act are seeking relief in several ways. Some states considered simply foregoing Title I funds, but all eventually chose to comply (partly due to tight budgets). Five states voted to require the cost of testing requirements to be compared to their benefits. The National Conference of State Legislatures is urging Congress to review the Act; but President Bush has pledged to veto any changes to the Act before its next reauthorization in 2007.

Despite that hard line from the Administration, there may be movement toward compromise. U.S. Education Secretary Rod Paige recently announced changes to federal rules to ease requirements for severely handicapped students and for students with limited English proficiency. Paige also suggested he would be open to suggestions, and would look at other ways to improve the Act.

Court challenges are likely. The National Education Association is considering a suit claiming failure to provide enough resources for implementation of the Act. A Pennsylvania school district has already sued the state due to sanctions under the Act.

A number of Illinois schools need help to meet standards under the Act, which will rise rapidly over the next decade. Illinois schools also face increases in subgroups that are more difficult to serve. Over a third of Illinois' student population is low-income. The State Board of Education's 2003 "Condition of Education" report said most districts face serious financial problems and are having to eliminate programs and services. If the federal Act is to succeed, it will take increased resources at all levels of government. ❑

Kevin Jones
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Illinois enacted two laws in 2003 to accommodate the No Child Left Behind Act. Public Act 93-426 modified the state's testing system to allow testing additional grades under the Act. Public Act 93-470 amended the state's early warning and academic watch list provisions to reflect the Adequate Yearly Progress provisions of the Act. These acts modified Illinois law to include the school transfer, supplemental services, and corrective action requirements of the federal Act.

Table 1: Illinois School Performance Targets, 2003-2014

Year	% proficient in math and science	Attendance rate	Graduation rate
2003	40.0%	88%	65%
2004	40.0	89	66
2005	47.5	89	67
2006	47.5	89	69
2007	55.0	90	72
2008	62.5	90	75
2009	70.0	90	78
2010	77.5	91	80
2011	85.0	91	82
2012	92.5	91	84
2013	92.5	92	85
2014	100.0	92	85

Source: "Frequently Asked Questions About Adequate Yearly Progress, Academic Early Warning Status, and Academic Watch Status" (downloaded March 5, 2004 from State Board of Education Internet site).

Background

Sensing Diagnostic Modules (SDMs) were introduced by General Motors in airbag-equipped automobiles in the early 1990s. These modules sense frontal impact, and determine when to deploy airbags. They also record vehicle speed, brake use, and seatbelt use for about the last 5 seconds, recording on a continuously rewritten loop. After an accident with airbag deployment or near-deployment, the SDM stops recording. Data can be downloaded only after a crash. Many GM vehicles made after 1993, and some Ford vehicles made after 2000, have SDMs, or similar devices called Event Data Recorders (EDRs).

The National Highway Traffic Safety Administration (NHTSA) in the U.S. Department of Transportation assembled the EDR Working Group, which in August 2001 issued a comprehensive report. Some of its findings were:

- Open access to EDR data (minus personal identifiers) will benefit researchers, crash investigators, and manufacturers in improving safety on the highways.
- Studies of EDRs in Europe and the U.S. have shown that driver and employee awareness of an onboard EDR reduces the number and severity of drivers' crashes.
- Automatic crash notification (ACN) systems integrate the onboard crash sensing and EDR technology with other electronic

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> systems, such as global positioning systems and cellular telephones, to provide early notification of the occurrence, nature, and location of a serious collision.

California law

The California law says that, starting July 1, 2004, if a new motor vehicle sold or leased in California has an EDR or SDM, the owner's manual must so state. If a vehicle has a recording device that can record and transmit information on where it went, or on an accident in which it has been involved, as part of a subscription service, that fact must be disclosed in the subscription agreement.

The law also restricts the download or retrieval from a motor vehicle of several kinds of data:

(1) vehicle speed and direction;
(2) where it traveled;
(3) steering performance;
(4) braking performance, including whether the brakes were applied before an accident;
(5) driver's seatbelt use; and
(6) any information about an accident in which the vehicle was involved.

Such data may not be retrieved by anyone other than the vehicle's owner unless:

(1) the owner consents to retrieval;
(2) a court orders retrieval;
(3) the information is used to study vehicle safety, and owners' identities are not disclosed; or
(4) a new-vehicle dealer or automotive technician retrieves the data to diagnose, service, or repair the vehicle.

Use of EDR data

A primary question that any law on EDRs must address is who owns their data. Ownership may be unclear if a vehicle is declared a total loss by an insurance company or sold to a salvage company; the EDR is removed for repair or replacement; or the vehicle otherwise changes hands. Several entities may have interests in the data——some needing it immediately after a crash and others later, depending on the purposes for which they need it:

- Incident Management—police, medical personnel, on-scene investigators, and insurers.
- Fault Assignment—police, manufacturers, insurers, government courts.
- Collection of data on vehicle performance—drivers and owners.
- Research and Development—manufacturers, governments, academics.
- Driver—personal data, vehicle performance
- Owner—fleet managment, personal, self-insured.

The EDR Working Group commented as follows on use of EDR data:

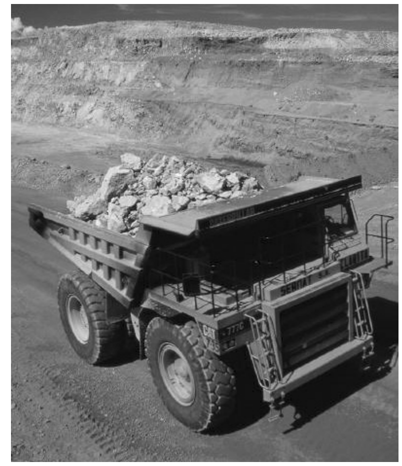
> [If] the public perceives that crash data are being used primarily by law enforcement to prosecute . . . this situation could seriously jeopardize the use of crash data for medical purposes.
>
> There is a strong argument to be made by the state governments that *real time* use of crash data should be protected for the purpose of saving lives or reducing injury extent. . . . After the fact, law enforcement use of the data would still be possible, but it would be after the medical emergencies had been taken care of and would be subject to the normal search and discovery procedures (warrants, etc.). [emphasis in original]

Possible negative effects of California law

In addition to concerns about ownership, privacy, and use of EDR data, because EDRs are connected to vehicle airbags, carmakers worry that some owners who learn their vehicles are EDR-equipped may try to remove them, injuring themselves or damaging airbag controls in the process.

Insurers may want to encourage use of more sophisticated EDRs so they can reward safe drivers with lower premiums. If owners refused to allow access to their data, they would likely be presumed to be high-risk drivers. Owners of older vehicles would be unable to qualify for the safe-driver discounts unless they bought vehicles with EDRs. Thus they could be forced to pay higher rates, reflecting the risk of drivers who refused to allow access to their driving data. ❑

Congress and Illinois Plan Transportation Improvements



Illinois' prospects for more federal transportation funding look good. Federal fiscal year 2003 ended a 6-year funding cycle; Congress is considering two major bills to authorize funding for fiscal years 2004 through 2009. A Senate bill (S. 1072), passed in committee in November, would authorize $255 billion over that time. A House bill (H.R. 3550), introduced in November 2003, is more generous, proposing $298 billion—including significant increases in both highway and mass transit funding.

The House bill addresses congestion relief, safety, freight mobility, public transportation, and national infrastructure needs. It would include state spending requirements to improve motor vehicle travel reliability and maximize road capacity. They include a $17.6 billion program for high-cost highway projects with national or regional benefits; $5 billion for a National Corridor Infrastructure Improvement program; and a new High Risk Rural Road Safety Improvement Program to improve two-lane rural roads. The bill proposes new transit programs for people with disabilities (rising from $100 million in fiscal 2004 to $175 million in fiscal 2009) and for transit-intensive urbanized areas ($50 million each year).

The House bill offers Illinois a total of $9.28 billion in highway formula funds and $3.39 billion in transit formula funds over the 6 years. These amounts are more than two-thirds above those in the act that recently expired.

A new omnibus appropriations law for fiscal 2004 (Public Law 109-199) includes $32.8 billion for highways, $7.3 billion for mass transit, and $1.2 billion for Amtrak—each of which was reduced 0.59%, like most other discretionary spending programs. Highway spending is to rise by $1.2 billion over fiscal 2003 levels, and transit funding by $87 million. A taxpayer advocacy group estimates that Illinois will get about $328 million.

Two advocacy groups—Business Leaders for Transportation and the Transportation for Illinois Coalition—are working to ensure that Illinois gets needed federal funds. Federal funds for transportation in Illinois rose only 29% from the 1991-1997 cycle to the 1997-2003 cycle. This was well below increases in neighboring states (61% in Michigan, 52% in Indiana, and 48% in Wisconsin), and below the nationwide increase (40%), according to the Business Leaders for Transportation.

Illinois Transportation Secretary Tim Martin, and U.S. Representative Jerry Weller, say that under the 1997 federal act's funding formula, Illinois was a "donor" state, paying about $600 million more to Washington over the next 6 years in vehicle and highway taxes than it received. Under the House bill described above, each state's minimum guaranteed return of tax revenues would rise from 90.5% to 95%.

Illinois Actions

The Regional Transportation Task Force, created by Public Act 93-405 (2003), will make recommendations to integrate Chicago-area transportation. The Task Force is directed to examine seven agencies that oversee land use and transportation policy in the Chicago region: the Chicago Area Transportation Study, Illinois State Toll Highway Authority, Northeastern Illinois Planning Commission, Regional Transportation Authority, Chicago Transit Authority, Metra, and Pace. The Task Force is to:

- Examine the feasibility of combining the first four agencies.
- Identify areas where these and other agencies have redundant or unnecessary functions.
- Find ways to promote cost-effectiveness, efficiency, and equality in meeting area transportation needs.
- Examine regional and economic impacts of these agencies.

The Task Force was to report to the Governor and General Assembly by March 1.

Suburban political leaders recently expressed opposition to merging those Chicago-area agencies. Witnesses at a Senate Task Force on Transportation hearing argued that doing so could put Chicago's interests ahead of suburban transportation needs. ❑

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Medicare Drug Benefits Are Scrutinized

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 is the largest expansion of Medicare since 1965. This article discusses how it may affect state government.

Background

When enacted in 1965, Medicare had benefits similar to private health insurance of the day, and paid for drugs only if used in hospitals. The practice of medicine has changed much since then. Drugs are essential for treating many conditions—including age-related ones such as cancer, heart disease, osteoporosis, and diabetes. Of 40 million Medicare recipients, one-third have no drug coverage; the others have coverage from "medigap" policies or former employers.

A 1997 act allowed creation of Medicare HMOs, which could offer drug coverage. But many of the plans could not sustain such coverage, and some dropped out. This, along with rising drug costs, put pressure on the President and Congress to act.

The Medicare drug benefit takes effect January 1, 2006. Enrollment will be voluntary. Participants can choose a prescription drug plan by itself, or a more comprehensive plan called Medicare Advantage that will include increased benefits under Parts A (hospital costs) and B (physician fees). Both options will offer at least basic drug coverage; some plans will offer more coverage for higher premiums. Under the basic plan, enrollees will initially pay a projected $420 annually in premiums and have a $250 deductible. They will make a 25% copayment on all drug costs from $250 to $2,250. Medicare will pay nothing between $2,250 and $3,600, but will pay 95% of costs over $3,600. These numbers are to be adjusted annually for changes in average drug costs per person in the program. Table 1 shows Congressional Budget Office projections of resulting amounts for the program's first 8 years.

Table 1: Projected Medicare Drug Coverage Levels

Year	Annual premium	Deductible	25% copayment	No drug coverage	95% paid
2006	$420	$250	$2,250	$3,600	over $3,600
2008	492	300	2,710	4,350	
2010	564	350	3,170	5,050	
2012	648	410	3,690	5,900	
2013	696	445	4,000	6,400	

Source: Calculated from Table 1 in Congressional Budget Office projections provided in letter to Senator Don Nickles, Senate Budget Committee Chairman, November 20, 2003.

Although the main provisions of the Act do not take effect until 2006, some interim benefits will start sooner. Prescription drug discount cards will be available by April this year for all Medicare beneficiaries except those under medicaid. The cards are expected to save consumers 10% to 25% (the GAO expects the savings to be at the low end of that range). In addition, low-income recipients will get a transitional $600 drug assistance benefit in 2004 and 2005.

Other provisions will help speed generic drugs to market and limit prices for drugs in doctors' offices. The act will also increase payments to doctors and hospitals to persuade them to stay in the system. By 2010, a demonstration program will allow private health plans to compete directly with Medicare in limited locations.

Complexity

Much of the complexity of coverage in the Act was due to efforts to keep its cost under the $400 billion target over 10 years. (Later estimates put the 10-year cost close to $534 billion.) The plan is voluntary, but those who wait to sign up will face substantial penalties up to 1% per month from the time they became eligible. Because the drug benefit will be offered through private entities not yet in existence, and whose formularies and co-payments are not yet fixed, seniors may find it difficult to choose the best plan for them. Also, many already have benefits from former employers, which may be more generous than Medicare will offer (but which may be dropped when the new plan takes effect). In the meantime, seniors who choose the new coverage while still getting employer benefits cannot count their payments against the Medicare

deductible or catastrophic threshold. Nor can they supplement the Medicare drug benefit with medigap policies after 2006. This reflects an effort by Congress to hold down costs by making consumers pay more.

Medicare-medicaid interaction
Low-income Medicare recipients who now qualify for medicaid drug coverage (so-called "dual-eligibles") will get drug benefits from Medicare alone after 2006. In states with generous medicaid drug coverage such as Illinois, the Medicare benefit may be lesser. But states no longer can use federal funds to supplement the drug benefit through medicaid. This will save states some money, but most of the savings will go to the federal government (some call this a "clawback"). The Council of State Governments' chief health care policy analyst predicts that states will have to return most of the money they save by not covering dual-eligibles.

In 2002 Illinois spent an average of $1,237 on prescription drugs for each of 171,000 dual-eligibles (the 8th highest per-capita amount among the states). The fact that Illinois dual-eligibles have been getting rather generous drug benefits may create problems. The new Medicare drug program will have a list of covered drugs (a formulary), containing at least one drug from each class. A recipient who prefers or needs a drug not on the formulary must pay for it out of pocket.

Costs and benefits
The costs and benefits of the new drug program for recipients, states, and the federal government are hard to predict. States will not have to cover low-income groups under medicaid—but there may be pressure to fund supplemental coverage for some. Most seniors with low incomes or high drug costs will fare better. But some who now have supplemental coverage will pay more, for less coverage. Still, nearly 14 million more Americans will have drug coverage.

Federal costs are expected to rise over time due to retiring Baby Boomers, rising drug costs, and employers' dropping of retiree drug coverage. The Act bars federal negotiation with drug companies on price, leaving that to health plans or pharmacy management companies (which will have less bargaining power than the federal government). Employers will get a subsidy worth $89 billion from 2006 to 2013 to continue those benefits. Large employers are expected to do so, but small ones may choose to escape that burden. If they do, more Medicare recipients (20-30 million by some projections) may sign up for the new benefit.

Conclusion
Whether the new benefit will give recipients the drug coverage they expect without bankrupting the system remains to be seen. Although its major provisions will not take effect until 2006, Medicare recipients will likely make their opinions known before then. ❑

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Abstracts of Reports Required to be Filed with General Assembly

The Legislative Research Unit staff is required to prepare abstracts of reports required to be filed with the General Assembly. Legislators may receive copies of entire reports by sending the enclosed form to the State Government Report Distribution Center at the Illinois State Library. Abstracts are published quarterly. Legislators who wish to receive them more often may contact the executive director.

Aging Dept.
Human services plan, 2003
The Department spent $297.6 million in seven areas in FY 2002, and planned to spend $316.1 million in 2003. Programs and their estimated FY 2003 funding were: alternative care ($220.4 million), community social services ($76.4 million), central management ($7.8 million), elder rights ($6.9 million), employment services ($3.7 million), intergenerational programs ($799,200), and communications and training ($163,300). Chapters give details on recent developments in these programs. (20 ILCS 10/4; rec'd July 2003, 147 pp.)

Attorney General
State collection statistics, 2003
State agencies referred to the Attorney General 22,139 collection cases with $189.6 million owed to the state. She collected $311.6 million on referred cases (including cases referred in past years). Department of Public Aid referred nearly 92% of those cases. (30 ILCS 205/2(j); Jan. 2004, 2 pp.)

Board of Education
Catalogue of reports, 2003
Board filed 14 reports in calendar year 2003. They included its 2002 annual report and FY 2004 budget book; charter schools annual report; 2001 annual statistical report; educator supply and demand report; mandate and mandate waiver reports; and reports on school breakfast incentives and after-school programs. (105 ILCS 5/2-3.87; Jan. 2004, 5 pp.)

Cumulative report on approved waivers and modifications, 1995-2003
Summary chart classifies 3,013 approved waivers and modifications into seven general categories: calendar or instruction time (2,012); course offerings (564); employment issues (209); fiscal issues (156); health and safety (47); accountability (16); and governance (9). At end of the period, 837 school districts (94.5%) had received waivers or modifications. Recommendations include amending the School Code to allow the scheduling of school or other activities on holidays to be decided at the local level, and to allow schools to adjust the school day, without being penalized, during administration of the Prairie State Achievement Examination. (105 ILCS 5/2-3.25g; Jan. 2004, 10 pp.)

Board of Higher Education
Annual report, FY 2003
In fall 2002, there were 781,190 students enrolled in 187 public and private colleges and universities, a 3.8% increase over 2001 enrollment figures. The Board requested almost $2.7 billion for FY 2004, but received over $2.4 billion, a 3.4% decrease from FY 2003 appropriations. In FY03 the Board formed the Committee on Affordability to study college affordability and completed studies on faculty diversity, quality assurance accountability, statewide results in meeting the higher education strategic plan, undocumented immigrant students, and non-tenure-track faculty. (110 ILCS 205/9.04; Oct. 2003, 33 pp., tables, charts)

Annual report on public university revenues and expenditures: FY 2003
Illinois public universities (Chicago State, Eastern, Governors State, Illinois State, Northeastern, Northern, Southern, University of Illinois, and Western) reported $4.6 billion in revenues and $4.5 billion in expenditures for fiscal year 2003. State appropriated funds were the largest source of revenue at 30.4%. From FY02 to FY03 expenditures from all fund sources grew 5.5% from $4.29 billion to $4.52 billion. The largest expenditure was for personal services, 54.3% of total funds. The largest overall expenditure by function was for instructional programs, 26.5% of total funds. (30 ILCS 105/13.5, Oct. 2003, 2 pp., 4 tables, 5 appendices)

Central Management Services Dept.
Supported Employment Program (SEP) annual report, FY 2003
Begun in 1991, the SEP helps state agencies to employ people with severe physical or mental disabilities. As of November 2003, there were seven SEP employees: 1 at the Department of Agriculture, 2 at Central Management Services, 1 at the Department of Children and Family Services, 2 at the Department of Human Services, and 1 at the Department of Transportation. (5 ILCS 390/9; Nov. 2003, 2 pp.)

Small business [set-aside] report, FY 2003
The total value of awards made in FY03 under the designation of Small Business Set-Aside purchases was $5.9 million. There are 45 types of

set-aside services identified and 12 agencies, boards, or commissions listed as set-aside purchasers. The three agencies with the greatest amount of set-aside procurements were the Departments of Central Management Services ($2.8 million), Public Aid ($1.1 million) and Human Services ($.7 million). (30 ILCS 500/45-45(f); undated, rec'd Dec. 2003, 4 pp.)

State employee child care centers annual report, 2003
The state oversees 3 privately run on-site child care centers for employees' children, in Chicago, Springfield, and Kankakee. Chicago's Child Development Center in the State of Illinois Building is managed by Early Child Care Services, Inc., and it is accredited by the National Association for Young Children. The center provides full-time care for children ages 2 through kindergarten, and 3 full-time teachers staff each of the 4 classrooms, with an average of 16 children per classroom. Springfield's Center in the Revenue Building is licensed for 53 children, ages 15 months through 6 years. The center is operated by Bright Horizons Family Solutions, and it is staffed by a director, 6 teachers, and 1 aide. Kankakee's Learning Milestones, Inc. in the Shapiro Center serves children from 6 weeks to 13 years. The center is licensed by the Department of Children and Family Services to provide extended hours of service as needed. The Dependent Care Assistance Program allows employees to pay for child care with tax-free dollars by using flexible spending accounts. In FY 2003, 1,425 employees participated in this program, with contributions totaling $5,227,851. (30 ILCS 590/3; Dec. 2003, 5 pp.)

Children and Family Services Dept.
Annual report, FY2003
The Office of the Inspector General (OIG) works to reform the child welfare system by investigating child deaths and serious injuries, investigating complaints of the system, investigating and prosecuting child welfare employee licensure complaints, assisting with criminal history checks, operating a toll-free hotline for complaints, acting as ethics officers for DCFS, reviewing and commenting on proposed rule changes, and assisting in the development of practice training models for caseworkers and supervisors. In FY 2003, OIG received 122 reports of child deaths; 25 were ruled homicides. In FY 2003, OIG initiated 16 new licensure investigations, performed 9,461 searches for criminal background information, received 1,448 hotline calls, took 2,119 requests for investigation, and reviewed 351 statements of economic interest filed with the ethics officer. Includes investigation summaries and statistics, OIG's recommendations to DCFS, and its responses. (20 ILCS 505/35.5(h); Jan. 2004, 190 pp., 3 appendices)

Commerce Commission
Transportation regulatory fund annual report, FY 2003
Fund received $8.64 million and spent $8.97 million. Over $4.3 million went to regulate motor carriers and nearly $4.7 million for railroads. Income from motor carriers was $5.0 million and from railroads $3.6 million. Fund had 88 employees. (625 ILCS 5/18c-1604; Sept. 2003, 8 pp.)

Development of natural gas markets in Illinois, annual report, 2002
The aggregate demand for retail natural gas in Illinois for 2002 was 9.2 billion therms. Local distribution companies sold 56% of total sales to 3.7 million retail gas consumers. Alternative providers supplied 44% of the total natural gas sales to 199,000 retail customers. The largest market share for any alternative provider was 6.7% of the total volume. The Gas Tax Use Law (P.A.93-31) eliminates the exemption previously extended to transport customers and may reduce the number of residential consumers using that method of purchasing. (220 ILCS 5/19-130; July 2003, 14 pp., 2 appendices)

Commerce and Economic Opportunity Dept.
Build Illinois Revenue Funds, FY 2003
Building Illinois Capital Revolving Loan Fund decreased from $17,179,991 to $17,009,481; Illinois Equity Fund decreased from $2,029,572 to $1,923,590; Large Business Attraction Fund increased from $3,370,981 to $4,087,061. Building Illinois Capital Revolving Loan Fund provided $5,333,359 in loans; Illinois Equity Fund $170,000; Large Business Attraction Fund $1 million. (30 ILCS 750/9-9 and 750/10-9; Dec. 2003, 4 pp.)

First Stop business information center report, 2002
The Center is a statewide resource for businesses with questions about state and federal requirements, regulatory processes, and assistance. In 2002 the Center helped 19,554 clients, issued 7,997 startup kits, and answered questions for 6,072 clients on licensing and registration, 2,329 on financial sources, 195 on regulatory assistance, 194 on market research, and 192 on government contracting. New in 2002 are the Center's Business Start-Up Expert (a virtual business startup library), a winery profile, three management guides, and guides to understanding financial statements, financial control, and commercial lending. The Center analyzes the impact of state law on small businesses. (20 ILCS 608/15(q); April 2003, 12 pp.)

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Abstracts of Reports Required to be Filed with General Assembly *(continued from p. 9)*

Enterprise Zone Annual Report, FY 2003
DCEO has designated 94 enterprise zones throughout the state. In FY2003, investments of $2.2 billion in these zones created 9,398 jobs and kept 10,836 (a cost of $108,727 per job). From 2000 to 2001, population rose in 40 zones and dropped in 53; unemployment dropped in 18 zones and increased in 72, 3 zones had no change (there was no statistical data included for the Joliet Arsenal zone). From 1999 to 2000, income per capita rose an average of 2.5%. Describes incentives generally, and lists investment and jobs by zone, and population and unemployment by county containing the zone. (20 ILCS 655/6; Oct. 2003, 10 pp.)

Corrections Dept.
Quarterly report on adult and juvenile facilities, July-September 1999
There were 43,106 inmates in all adult facilities on May 31, 2003. This was 116 over the 42,990 total projected for May 2003. The total population at adult transition centers was 1,352, 72 over the total capacity of 1,280. There were 9,665 inmates participating in educational and vocational programs. The ratio of security staff to inmates is 1:5. A majority of inmates, 65%, are double-celled with approximately 37 square feet of actual living area per inmate. There were 1,569 total youth in all juvenile institutions. This is below the 1,580 rated capacity. There were 1,635 juveniles in educational and vocational programs. Juveniles in single-cells are 43% of the population; double-cells, 44%; and multi-cells, 13%.
(730 ILCS 5/3-5-3.1, July 1, 2003, 25 pp.)

Quarterly report on facilities, July-September 2003
As of August 2003, there were 43,235 adult inmates, versus capacity of 31,437, and 1,551 juvenile inmates, versus capacity of 1,580. About 10,148 adults and 1,576 juveniles were enrolled in educational or vocational programs provided at each facility. There are 1,354 adults in 8 department- or contractually-operated transition centers. (730 ILCS 5/3-5-3.1; Oct. 2003, 23 pp., tables.)

Correctional Industries annual report, FY 2003
Illinois Correctional Industries reported a net loss of over $1.5 million on a total operating revenue of $44.6 million. Sales declined $5.7 million from FY 2002. This was attributed to a decrease in requested purchases from customers due to the state's fiscal crisis. ICI was able to make a profit of $977,000 by budget tightening. An average of 1,140 inmates worked for ICI. The general three year recidivism rate for inmates released from adult institutions in FY 1999 who had past employment in an Illinois Correctional Industry program was 54.4%. Of the 125 inmates released directly from ICI programs from July 1, 2002 through June 30, 2002, 62 (49.6%) found employment. (730 ILCS 5/3-12-11, Oct. 2003, 20 pp.)

Statistical presentation 2002
The Department operates 26 adult correctional centers, 8 Adult Transition Centers, 8 juvenile facilities, and 26 parole offices. Although the adult prison population declined 3.7% to 42,693 in 2002, it has risen 34.9% since 1992, and is 32.6% over it's rated capacity of 31,351. There are 2,520 female inmates. The female population has grown at more than twice the rate of the male population since 1993. For 2002, the prison population by offense were: 42.5% person; 25.5% drugs; 21.5% property; 9.4% sex; 1.1% other or unknown. (730 ILCS 5/3-5-4.3, July, 2003, 136 pp., tables, figures.)

Criminal Justice Authority
The efficacy of Illinois' Sexual Assault Nurse Examiner (SANE) Pilot Program
Sexual assault nurse examiners (SANE) are registered nurses who have advanced education in conducting medical and forensic examinations of patients who are sexually victimized. Under Public Act 91-0529 the SANE program is administered by the Illinois Criminal Justice Information Authority in four counties. SANE programs have been successfully established in three counties: Champaign, DuPage, and Lake. An amount of $240,000 was appropriated for the program. Each of the four applicant counties received $20,000 in funding per year for three years to support the costs of establishing and operating a SANE program. Changes within the fourth recipient's administration resulted in fiscal and programmatic difficulties that eventually caused them to decline funds in March 2002.

This study provides two salient findings: (1) Illinois' SANE Pilot Program substantially improves community responses to victims of sex crimes; and (2) Illinois' SANE Pilot Program improves the quality of evidence collection and presentation for sex crimes. However, it could not be determined whether it also increases the percentage of successful prosecution outcomes for sex crimes because data collected were inconsistent. (20 ILCS 3930/7.1(f), Dec. 2003, 57 pp.)

Special Leadership Opportunity for Legislators

Each year, the Bowhay Institute for Legislative Leadership Development — BILLD — awards fellowships to 35 select legislators in the Midwestern states and provinces to help them develop the skills they need to be effective leaders and policymakers.

The 10th annual Bowhay Institute will be held July 30-August 3 in Madison, Wis. The intensive five-day program is conducted by the Midwestern Legislative Conference of The Council of State Governments, in partnership with The Robert M. La Follette School of Public Affairs at the University of Wisconsin.

Faculty from the La Follette School and outside experts conduct seminars and workshops on a variety of topics to enhance leadership skills and knowledge of key public policies. Leadership training — the most crucial element of the program — is provided on topics such as strategic thinking, coalition building and conflict resolution. Fellows also participate in professional development seminars on topics such as communicating with the media and priority management.

The annual fellowships are awarded on a competitive, nonpartisan basis by the BILLD Steering Committee, a bipartisan group of legislators from each state in the region. ***Applications, which are due by April 5***, are now available from CSG's Midwestern Office. Recipients of 2004 fellowships will be announced in May.

Applicants are evaluated based on their leadership potential, including problem-solving skills, their dedication to public service and their commitment to improving the legislative process. Each fellowship covers the cost of tuition, lodging and meals. A nominal travel stipend is also offered to each participant.

For application materials, or more information, please contact Laura A. Tomaka at 630.810.0210 or visit CSG's Web site at www.csgmidwest.org.

The following is a list of legislators who have attended in the past:

Rep. Maria A. Berrios, 2003
Rep. Chapin Rose, 2003
Rep. Kathleen A. Ryg, 2003

Rep. Annazette Collins, 2002
Rep. Charles Jefferson, 2002
Rep. Karen Yarbrough, 2002

Rep. Randall M Hultgren, 2001
Rep. David E. Miller, 2001
Rep. Harry Osterman, 2001
Rep. Cynthia Soto, 2001

Rep. Suzanne Bassi, 2000
Rep. William Delgado, 2000
Rep. Timothy L. Schmitz, 2000

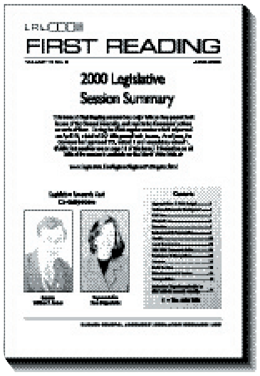
Rep. Sidney H. Mathias, 1999

Rep. Elizabeth Coulson, 1998
Rep. John A. Fritchey, 1998
Sen. Terry Link, 1998

Sen. James Clayborne, 1997
Rep. Connie A. Howard, 1997
Sen. Christine Radogno, 1997

Rep. Thomas Holbrook, 1996
Rep. Michael K. Smith, 1996

Rep. Sara Feigenholtz, 1995
Rep. David Winters, 1995



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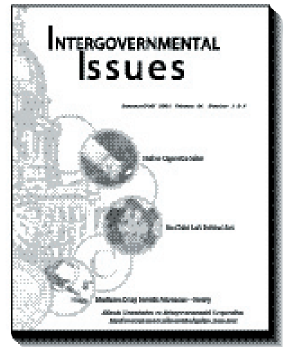

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FIRST READING
A publication of the Legislative Research Unit

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Public Act 93-632 (2003), enacted by S.B. 1656 (Silverstein-E.Jones—Madigan) consolidated some legislative service agencies. On February 1 the Illinois Commission on Intergovernmental Cooperation became part of the Legislative Research Unit, and the Pension Laws Commission became part of the Illinois Economic and Fiscal Commission. The Legislative Space Needs Commission was replaced by a new office of Architect of the Capitol.

The Legislative Research Unit succeeded to all the powers, duties, and personnel of the Intergovernmental Cooperation Commission. The Legislative Research Unit's address is 222 S. College Street, Suite 301, Springfield, IL 62704. This publication incorporates *Intergovernmental Issues*, the Commission's former publication.

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