

1 AN ACT to amend the Illinois Petroleum Education and  
2 Marketing Act by changing Sections 5, 10, 30, and 35.

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

5 Section 5. The Illinois Petroleum Education and  
6 Marketing Act is amended by changing Sections 5, 10, 30, and  
7 35 as follows:

8 (225 ILCS 728/5)

9 Sec. 5. Definitions. As used in this Act:

10 "Board" means the Illinois Petroleum Resources Board.

11 "Interest owner" means a person who owns or possesses an  
12 interest in the gross production of oil or gas produced from  
13 a well in Illinois.

14 "Person" means an individual, group of individuals,  
15 partnership, corporation, association, limited liability  
16 company, cooperative, or any other entity or an employee of  
17 the entity.

18 "Producer" means a person who produces oil and gas or who  
19 derives a majority of his or her oil and gas income from a  
20 working interest.

21 "Qualified producer association" means an entity that is  
22 organized and operating within the State and that represents  
23 oil producers on a Statewide basis.

24 (Source: P.A. 90-614, eff. 7-10-98.)

25 (225 ILCS 728/10)

26 Sec. 10. Illinois Petroleum Resources Board.

27 (a) There is hereby created until July 1, 2008 2002, the  
28 Illinois Petroleum Resources Board which shall be subject to  
29 the provisions of the Regulatory Agency Sunset Act. The  
30 purpose of the Board is to coordinate a program designed to

1 demonstrate to the general public the importance of the  
2 Illinois oil exploration and production industry, to  
3 encourage the wise and efficient use of energy, to promote  
4 environmentally sound production methods and technologies, to  
5 develop existing supplies of State oil resources, and to  
6 support research and educational activities concerning the  
7 oil exploration and production industry.

8 (b) The Board shall be composed of 12 members to be  
9 appointed by the Governor. The Governor shall make  
10 appointments from a list of names submitted by qualified  
11 producer associations, of which 10 shall be oil and gas  
12 producers.

13 (c) A member of the Board shall:

- 14 (1) be at least 25 years of age;
- 15 (2) be a resident of the State of Illinois; and
- 16 (3) have at least 5 years of active experience in  
17 the oil industry.

18 (d) Members shall serve for a term of 3 years, except  
19 that of the initial appointments, 4 members shall serve for  
20 one year, 4 members for 2 years, and 4 members for 3 years.

21 (e) Vacancies shall be filled for the unexpired term of  
22 office in the same manner as the original appointment.

23 (f) The Board shall, at its first meeting, elect one of  
24 its members as chairperson, who shall preside over meetings  
25 of the Board and perform other duties that may be required by  
26 the Board. The first meeting of the Board shall be called by  
27 the Governor.

28 (g) No member of the Board shall receive a salary or  
29 reimbursement for duties performed as a member of the Board,  
30 except that members are eligible to receive reimbursement for  
31 travel expenses incurred in the performance of Board duties.

32 (Source: P.A. 90-614, eff. 7-10-98.)

1           Sec. 30. Assessment on oil and gas production.

2           (a) To fund the activities of the Illinois Petroleum  
3 Resources Board, an assessment shall be levied in the amount  
4 of one-tenth of 1% of gross revenues of oil and gas produced  
5 from each well in the State of Illinois.

6           (b) The assessment levied by subsection (a) of this  
7 Section shall be deducted from the proceeds of production and  
8 collected by the first purchaser. The assessment, which is  
9 imposed on the interest owner ~~produceer~~, shall be remitted to  
10 the Department of Revenue by the first purchaser on a tax  
11 return filed no later than the 15th day of each month  
12 following the end of the month in which the assessment was  
13 collected. To defray the costs of receiving and depositing  
14 the assessments levied by this Section, the Department of  
15 Revenue shall retain \$750 per month of the assessments  
16 received for deposit into the Tax Compliance and  
17 Administration Fund. The remaining moneys received by the  
18 Department of Revenue pursuant to this Section shall be  
19 deposited into the Illinois Petroleum Resources Revolving  
20 Fund.

21           (c) The Board shall be responsible for taking  
22 appropriate legal actions to collect any assessment which is  
23 not paid or is not properly paid.

24           (Source: P.A. 90-614, eff. 7-10-98.)

25           (225 ILCS 728/35)

26           Sec. 35. Refunds.

27           (a) Any person subject to the assessment levied by  
28 Section 30 of this Act may request a refund as provided in  
29 this Section of the assessment paid on production for the  
30 preceding calendar year. Upon compliance with the provisions  
31 of this Section and rules adopted by the Board to implement  
32 this Section, the Board shall refund to each person  
33 requesting a refund the amount of the assessment paid by or

1 on behalf of the person during the preceding calendar year.  
2 Refunds made to producers will include interest earned at the  
3 rate equal to the average United States Treasury bill rate of  
4 the preceding calendar year as certified by the State  
5 Treasurer.

6 (b) The request for a refund of the assessment paid on  
7 production for the preceding calendar year must be made  
8 during the first 3 calendar months following the calendar  
9 year for which the refund is requested. Failure to request a  
10 refund during this period shall terminate the right of any  
11 person to receive a refund for the assessment paid on  
12 production for the preceding calendar year. The Board shall  
13 give notice of the availability of the refund through press  
14 releases or another means it deems appropriate.

15 (c) Each person requesting a refund shall execute an  
16 affidavit showing the amount of refund requested and  
17 demonstrating that the affiant was the interest owner of the  
18 production for which the refund is requested. The Board may  
19 verify the accuracy of the request for refund.

20 (d) No entity or person requesting a refund under this  
21 Section shall be eligible to serve or have a representative  
22 serve as a member of the Board.

23 (Source: P.A. 90-614, eff. 7-10-98.)

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