
# SENATE JOURNAL

## STATE OF ILLINOIS

## ONE HUNDREDTH GENERAL ASSEMBLY

## 39TH LEGISLATIVE DAY

## THURSDAY, MAY 4, 2017

## 12:20 O'CLOCK P.M.

NO. 39
[May 4, 2017]

**SENATE**
**Daily Journal Index**
**39th Legislative Day**

The Senate met pursuant to adjournment.
Senator Kimberly A. Lightford, Maywood, Illinois, presiding.
Prayer by Pastor Scott Marsh, Texas Christian Church, Clinton, Illinois.
Senator Murphy led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Wednesday, May 3, 2017, be postponed, pending arrival of the printed Journal.
The motion prevailed.

## LEGISLATIVE MEASURES FILED

The following Committee amendments to the House Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to House Bill 311
Amendment No. 1 to House Bill 3737

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

Amendment No. 2 to House Bill 155
Amendment No. 2 to House Bill 2516

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

Amendment No. 4 to Senate Bill 1
Amendment No. 3 to Senate Bill 31
Amendment No. 4 to Senate Bill 262
Amendment No. 2 to Senate Bill 309
Amendment No. 1 to Senate Bill 321
Amendment No. 2 to Senate Bill 518
Amendment No. 2 to Senate Bill 620
Amendment No. 1 to Senate Bill 1091
Amendment No. 1 to Senate Bill 1289
Amendment No. 4 to Senate Bill 1592
Amendment No. 2 to Senate Bill 1774

## MESSAGES FROM THE PRESIDENT

### OFFICE OF THE SENATE PRESIDENT
### STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

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

May 4, 2017

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator David Koehler to temporarily replace Senator Steven Landek as a member of the Senate Appropriations II Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Appropriations II Committee.

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

cc: Senate Minority Leader Christine Radogno

**OFFICE OF THE SENATE PRESIDENT**
**STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

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

May 4, 2017

Mr. Tim Anderson
Secretary of the Senate
Room 403 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-5(c), I hereby appoint Senator Don Harmon to temporarily replace Senator James Clayborne as Chairman of the Senate Committee on Assignments. In addition, I hereby appoint Senator Mattie Hunter to temporarily replace Senator James Clayborne as a member of the Senate Committee on Assignments. These appointments will expire upon adjournment of the Senate Committee on Assignments on May 4, 2017.

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

cc: Senate Republican Leader Christine Radogno

**OFFICE OF THE SENATE PRESIDENT**
**STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

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

May 4, 2017

Mr. Tim Anderson
Secretary of the Senate
Room 403 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to the provisions of Senate Rule 2-10, I hereby extend the 3rd Reading deadline to May 31, 2017, for the following Senate bills:

1285, 1415, 1719, 1993, 2012, 2032, 2185

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

cc: Senate Republican Leader Christine Radogno

**PRESENTATION OF RESOLUTIONS**

**SENATE RESOLUTION NO. 484**

Offered by Senator Anderson and all Senators:
Mourns the death of the Reverend Paul D. Bendit of Moline.

**SENATE RESOLUTION NO. 485**

Offered by Senator Manar and all Senators:
Mourns the death of Robert J. "Bobby" Swiney of Taylorville.

**SENATE RESOLUTION NO. 486**

Offered by Senator Rose and all Senators:
Mourns the death of Dale Eugene "Gene" Trimble of Newman.

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

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

**SENATE RESOLUTION NO. 482**

WHEREAS, According to the Center for Creative Leadership, young people who volunteer in their communities are more likely to vote, stay actively involved in service, and feel empowered as citizens; and

WHEREAS, A study in promoting student engagement by the American Psychological Association found that volunteers become emotionally connected to the communities in which they serve and sustain community involvement after volunteering - a strong positive indicator for future economic growth; and

WHEREAS, Participation in civic engagement activities can help youth become better informed about current events; and

WHEREAS, Other than student government, there are limited opportunities for high school students between the ages of 14 and 18 to partake in civic engagement and receive governmental experience; and

WHEREAS, Illinois currently has more units of local government than any other state in the country; these units may be suited to provide valuable civic learning experiences for the youth of the State; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we encourage all units of local government with elected boards to allow one non-voting student member to serve on their governing boards; and be it further

RESOLVED, That notwithstanding current provisions of Illinois statutes, units of local government with elected members may decide the manner in which nonvoting student members may be selected to

serve as a member of the unit's governing body, whether it be through application, selection by the board, or nomination through a local school district, educational program, club, or youth group; and be it further

RESOLVED, That the unit of local government may determine the length of terms for the nonvoting student member, whether it be for one meeting or an academic school year; and be it further

RESOLVED, That suitable copies of this resolution shall be presented to the Illinois State Board of Education as well as organizations representing municipalities, counties, townships.

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

**SENATE RESOLUTION NO. 483**

WHEREAS, In 1973, the National Trust for Historic Preservation established the month of May as National Historic Preservation Month in order to promote historic places for the purpose of instilling national and community pride, promoting heritage tourism, and demonstrating the social, cultural, and economic benefits of historic preservation; and

WHEREAS, Historic preservation is an effective tool for managing growth, revitalizing neighborhoods, fostering local pride, and maintaining community character while enhancing livability; and

WHEREAS, The Illinois Historic Preservation Agency recognizes May as Historic Preservation Month and highlights local events throughout the State to recognize and promote the historic cultural resources of Illinois; and

WHEREAS, Historic Preservation Month increases awareness of historically significant buildings, structures, sites, and places to Illinois residents and visitors alike; and

WHEREAS, It is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and

WHEREAS, Historic Preservation Month can inspire conversations and discussions in a community, uniting residents in a common and important cause to recognize, preserve, and promote these places; and

WHEREAS, Historic preservation efforts, especially the rehabilitation of historic buildings and structures, provide new housing and business opportunities, revitalize neighborhoods, stabilize and even increase property values, and create jobs; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we recognize and hereby proclaim May of 2017 as Historic Preservation Month in the State of Illinois, and call upon its residents and visitors to participate in this special observance; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the Illinois Historic Preservation Agency.

**REPORTS FROM STANDING COMMITTEES**

Senator Harmon, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 315
Senate Amendment No. 2 to Senate Bill 315
Senate Amendment No. 3 to Senate Bill 1592

Senate Amendment No. 2 to Senate Bill 1933
Senate Amendment No. 3 to Senate Bill 1933

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **House Bill No. 3222,** reported the same back with the recommendation that the bill do pass.
Under the rules, the bill was ordered to a second reading.

Senator Landek, Chairperson of the Committee on State Government, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 707
Senate Amendment No. 1 to Senate Bill 1869

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Landek, Chairperson of the Committee on State Government, to which was referred **Senate Resolutions numbered 352 and 427,** reported the same back with the recommendation that the resolutions be adopted.
Under the rules, **Senate Resolutions numbered 352 and 427** were placed on the Secretary's Desk.

Senator Landek, Chairperson of the Committee on State Government, to which was referred **House Bills Numbered 623, 2371, 2379, 2551, 3108, 3143, 3179, 3234 and 3455,** reported the same back with the recommendation that the bills do pass.
Under the rules, the bills were ordered to a second reading.

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

Senate Amendment No. 2 to Senate Bill 1607

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

Senator Martinez, Chairperson of the Committee on Licensed Activities and Pensions, to which was referred **House Bills Numbered 164, 299, 618, 732, 815, 1772, 1811, 2408, 2496, 2661, 2783, 2966, 3322, 3450 and 3452,** reported the same back with the recommendation that the bills do pass.
Under the rules, the bills were ordered to a second reading.

Senator Mulroe, Chairperson of the Committee on Insurance, to which was referred **House Bills Numbered 759, 817 and 3874,** reported the same back with the recommendation that the bills do pass.
Under the rules, the bills were ordered to a second reading.

Senator Hutchinson, of the Committee on Revenue, to which was referred **Senate Bills Numbered 1285, 1719 and 2012,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.
Under the rules, the bills were ordered to a second reading.

Senator Hutchinson, Chairperson of the Committee on Revenue, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 473
Senate Amendment No. 1 to Senate Bill 700
Senate Amendment No. 1 to Senate Bill 852
Senate Amendment No. 2 to Senate Bill 1072

Senate Amendment No. 1 to Senate Bill 1073
Senate Amendment No. 2 to Senate Bill 1434
Senate Amendment No. 2 to Senate Bill 1700
Senate Amendment No. 1 to Senate Bill 1783

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Hutchinson, Chairperson of the Committee on Revenue, to which was referred **House Bills Numbered 155, 465, 743 and 2813,** reported the same back with the recommendation that the bills do pass.

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

Senator Harris, Chairperson of the Committee on Agriculture, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Floor Amendment No. 2 to Senate Bill 1294

Senator Harris, Chairperson of the Committee on Agriculture, to which was referred **House Bills Numbered 1800, 2488, 2998 and 3093,** reported the same back with the recommendation that the bills do pass.

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

Senator Holmes, Chairperson of the Committee on Commerce and Economic Development, to which was referred **House Bills Numbered 736 and 1813,** reported the same back with the recommendation that the bills do pass.

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

Senator Manar, Chairperson of the Committee on Appropriations II, to which was referred **Senate Bill No. 1993,** reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

Senator Koehler, Chairperson of the Committee on Environment and Conservation, to which was referred **Senate Resolution No. 170,** reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Resolution No. 170** was placed on the Secretary's Desk.

Senator Koehler, Chairperson of the Committee on Environment and Conservation, to which was referred **House Bills Numbered 513, 685, 772, 2386, 2719, 2733, 2876, 3014 and 3048,** reported the same back with the recommendation that the bills do pass.

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

At the hour of 12:28 o'clock p.m., Senator Harmon, presiding.

**READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME**

**House Bill No. 688**, sponsored by Senator Cunningham, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 1954**, sponsored by Senator Holmes, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 2465**, sponsored by Senator Steans, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 2664**, sponsored by Senator Harris, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 2937**, sponsored by Senator McConnaughay, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 3261**, sponsored by Senator Weaver, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 3400**, sponsored by Senator Althoff, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 3464**, sponsored by Senator Schimpf, was taken up, read by title a first time and referred to the Committee on Assignments.

## CONSIDERATION OF RESOLUTIONS ON SECRETARY'S DESK

Senator Koehler moved that **Senate Resolution No. 170**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Koehler moved that Senate Resolution No. 170 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Barickman moved that **Senate Resolution No. 427**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Barickman moved that Senate Resolution No. 427 be adopted.

The motion prevailed.

And the resolution was adopted.

## COMMITTEE REPORT CORRECTION

On May 3, 2017, the Senate Committee on Licensed Activities and Pensions omitted Senate Amendment No. 2 to Senate Bill 1882 from its report to the Senate. Senate Amendment No. 2 to Senate Bill 1882 is reported to the Senate with a recommendation of Recommend Do Adopt.

## READING BILLS OF THE SENATE A SECOND TIME

On motion of Senator Althoff, **Senate Bill No. 1285** having been printed, was taken up, read by title a second time.

The following amendments were offered in the Committee on Revenue, adopted and ordered printed:

### AMENDMENT NO. 1 TO SENATE BILL 1285

AMENDMENT NO. 1. Amend Senate Bill 1285 on page 23, line 19, after "2015," by inserting "each month"; and

on page 23, line 20, by replacing "transfer" with "certify to the State Comptroller and the State Treasurer"; and

on page 24, immediately below line 1, by inserting the following:

"Upon receipt of the certification, the State Comptroller shall order transferred and the State Treasurer shall transfer those amounts from the General Revenue Fund to the Fund for the Advancement of Education."; and

on page 24, line 7, after "2015," by inserting "each month"; and

on page 24, line 8, by replacing "transfer" with "certify to the State Comptroller and the State Treasurer"; and

on page 24, immediately below line 15, by inserting the following:
"Upon receipt of the certification, the State Comptroller shall order transferred and the State Treasurer shall transfer those amounts from the General Revenue Fund to the Commitment to Human Services Fund."; and

by replacing everything from line 20 on page 24 through line 5 on page 25 with the following:
"(h) Transfers ~~Deposits~~ into the Tax Compliance and Administration Fund. Beginning on the first day of the first calendar month to occur on or after August 26, 2014 (the effective date of Public Act 98-1098), each month the Department shall certify to the State Comptroller and the State Treasurer ~~pay into the Tax Compliance and Administration Fund, to be used, subject to appropriation, to fund additional auditors and compliance personnel at the Department,~~ an amount equal to 1/12 of 5% of the cash receipts collected during the preceding fiscal year by the Audit Bureau of the Department from the tax imposed by subsections (a), (b), (c), and (d) of Section 201 of this Act, net of deposits into the Income Tax Refund Fund made from those cash receipts. Upon receipt of the certification, the State Comptroller shall order transferred and the State Treasurer shall transfer those amounts from the General Revenue Fund to the Tax Compliance and Administration Fund. Those moneys shall be used, subject to appropriation, to fund additional auditors and compliance personnel at the Department.".

**AMENDMENT NO. 2 TO SENATE BILL 1285**

AMENDMENT NO. 2 . Amend Senate Bill 1285 on page 4, line 20, by deleting "3,"; and

on page 4, line 21, after "10,", by inserting "11, 11a, 12,"; and

on page 13, by replacing lines 19 and 20 with the following:
"(20 ILCS 2505/2505-650). Except as provided in subsections (c) and ~~,~~ (e~~), (f), (g), and (h)~~ of this Section, money collected"; and

on page 23, line 19, after "2015," by inserting "each month"; and

on page 23, line 20, by replacing "transfer" with "certify to the State Comptroller and the State Treasurer"; and

on page 24, immediately below line 1, by inserting the following:
"Upon receipt of the certification, the State Comptroller shall order transferred and the State Treasurer shall transfer those amounts from the General Revenue Fund to the Fund for the Advancement of Education."; and

on page 24, line 7, after "2015," by inserting "each month"; and

on page 24, line 8, by replacing "transfer" with "certify to the State Comptroller and the State Treasurer"; and

on page 24, immediately below line 15, by inserting the following:
"Upon receipt of the certification, the State Comptroller shall order transferred and the State Treasurer shall transfer those amounts from the General Revenue Fund to the Commitment to Human Services Fund."; and

by replacing everything from line 20 on page 24 through line 5 on page 25 with the following:
"(h) Transfers ~~Deposits~~ into the Tax Compliance and Administration Fund. Beginning on the first day of the first calendar month to occur on or after August 26, 2014 (the effective date of Public Act 98-1098), each month the Department shall certify to the State Comptroller and the State Treasurer ~~pay into the Tax Compliance and Administration Fund, to be used, subject to appropriation, to fund additional auditors and compliance personnel at the Department,~~ an amount equal to 1/12 of 5% of the cash receipts collected

during the preceding fiscal year by the Audit Bureau of the Department from the tax imposed by subsections (a), (b), (c), and (d) of Section 201 of this Act, net of deposits into the Income Tax Refund Fund made from those cash receipts. Upon receipt of the certification, the State Comptroller shall order transferred and the State Treasurer shall transfer those amounts from the General Revenue Fund to the Tax Compliance and Administration Fund. Those moneys shall be used, subject to appropriation, to fund additional auditors and compliance personnel at the Department."; and

on page 498, line 10, by deleting "3,"; and

on page 498, line 11, after "10,", by inserting "11, 11a, 12,".

Committee Amendment Nos. 3 and 4 were held in the Committee on Revenue.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

**AMENDMENT NO. 5 TO SENATE BILL 1285**

AMENDMENT NO. 5 . Amend Senate Bill 1285 on page 22, by replacing lines 1 through 16 with the following:

"Comptroller, equal to the excess of the sum of the amount of refunds resulting from overpayment of tax liability under subsections (c) and (d) of Section 201 of this Act paid from the Income Tax Refund Fund during the fiscal year plus the amount of such refund claims received but neither paid nor denied as of the end of the fiscal year over the amount collected pursuant to subsections (c) and (d) of Section 201 of this Act deposited into the Income Tax Refund Fund during the fiscal year.

(4.5) As soon as possible after the end of fiscal year 1999 and of each fiscal year thereafter, the Director shall order transferred and the State Treasurer and State Comptroller shall transfer from the Income Tax Refund Fund to the General Revenue Fund any surplus remaining in the Income Tax Refund Fund as of the end of such fiscal year (such surplus shall be net of the amount of refund claims received but neither paid nor denied as of the end of the fiscal year); excluding for fiscal years 2000, 2001, and 2002 amounts attributable to transfers under item (3) of subsection (c) less refunds resulting from the earned income tax credit."; and

by deleting everything from line 16 on page 186 through line 21 on page 190.

There being no further amendments, the foregoing Amendments Numbered 1, 2 and 5 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Weaver, **Senate Bill No. 2012** having been printed, was taken up, read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

**AMENDMENT NO. 1 TO SENATE BILL 2012**

AMENDMENT NO. 1 . Amend Senate Bill 2012 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Income Tax Act is amended by changing Section 220 as follows:

(35 ILCS 5/220)

Sec. 220. Angel investment credit.

(a) As used in this Section:

"Applicant" means a corporation, partnership, limited liability company, or a natural person that makes an investment in a qualified new business venture. The term "applicant" does not include a corporation, partnership, limited liability company, or a natural person who has a direct or indirect ownership interest of at least 51% in the profits, capital, or value of the investment or a related member.

"Claimant" means an applicant certified by the Department who files a claim for a credit under this Section.

"Department" means the Department of Commerce and Economic Opportunity.

"Investment" means money (or its equivalent) given to a qualified new business venture, at a risk of loss, in consideration for an equity interest of the qualified new business venture. The Department may adopt rules to permit certain forms of contingent equity investments to be considered eligible for a tax credit under this Section.

"Qualified new business venture" means a business that is registered with the Department under this Section.

"Related member" means a person that, with respect to the applicant ~~investment~~, is any one of the following:

(1) An individual, if the individual and the members of the individual's family (as defined in Section 318 of the Internal Revenue Code) own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the outstanding profits, capital, stock, or other ownership interest in the applicant.

(2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

(3) A corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the applicant and any other related member own, in the aggregate, directly, indirectly, beneficially, or constructively, at least 50% of the value of the corporation's outstanding stock.

(4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

(5) A person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code, except that for purposes of determining whether a person is a related member under this paragraph, "20%" shall be substituted for "5%" whenever "5%" appears in Section 1563(e) of the Internal Revenue Code.

(b) For taxable years beginning after December 31, 2010, and ending on or before December 31, 2021 ~~December 31, 2016~~, subject to the limitations provided in this Section, a claimant may claim, as a credit against the tax imposed under subsections (a) and (b) of Section 201 of this Act, an amount equal to 25% of the claimant's investment made directly in a qualified new business venture. In order for an investment in a qualified new business venture to be eligible for tax credits, the business must have applied for and received certification under subsection (e) for the taxable year in which the investment was made prior to the date on which the investment was made. The credit under this Section may not exceed the taxpayer's Illinois income tax liability for the taxable year. If the amount of the credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, the earlier credit shall be applied first. In the case of a partnership or Subchapter S Corporation, the credit is allowed to the partners or shareholders in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code.

(c) The minimum amount an applicant must invest in any single qualified new business venture in order to be eligible for a credit under this Section is $10,000. The maximum amount of an applicant's total investment made in any single qualified new business venture that may be used as the basis for a credit under this Section is $2,000,000 ~~for each investment made directly in a qualified new business venture~~.

(d) The Department shall implement a program to certify an applicant for an angel investment credit. Upon satisfactory review, the Department shall issue a tax credit certificate stating the amount of the tax credit to which the applicant is entitled. The Department shall annually certify that: (i) each qualified new business venture that receives an angel investment under this Section has maintained a minimum employment threshold, as defined by rule, in the State (and continues to maintain a minimum employment threshold in the State for a period of no less than 3 years from the issue date of the last tax credit certificate issued by the Department with respect to such business pursuant to this Section); and (ii) the claimant's investment has been made and remains, except in the event of a qualifying liquidity event, in the qualified new business venture for no less than 3 years.

If an investment for which a claimant is allowed a credit under subsection (b) is held by the claimant for less than 3 years, other than as a result of a permitted sale of the investment to person who is not a related member, ~~or, if within that period of time the qualified new business venture is moved from the State of Illinois,~~ the claimant shall pay to the Department of Revenue, in the manner prescribed by the Department of Revenue, the aggregate amount of the disqualified credits ~~credit~~ that the claimant received related to the subject investment.

If the Department determines that a qualified new business venture failed to maintain a minimum employment threshold in the State through the date which is 3 years from the issue date of the last tax credit certificate issued by the Department with respect to the subject business pursuant to this Section, the claimant or claimants shall pay to the Department of Revenue, in the manner prescribed by the Department of Revenue, the aggregate amount of the disqualified credits that claimant or claimants received related to investments in that business.

(e) The Department shall implement a program to register qualified new business ventures for purposes of this Section. A business desiring registration under this Section shall be required to submit a full and complete ~~an~~ application to the Department ~~in each taxable year for which the business desires registration~~. A submitted application shall be effective only for the taxable year in which it is submitted, and a business desiring registration under this Section shall be required to submit a separate application in and for each taxable year for which the business desires registration. Further, if at any time prior to the acceptance of an application for registration under this Section by the Department one or more events occurs which makes the information provided in that application materially false or incomplete (in whole or in part) the business shall promptly notify the Department of the same. Any failure of a business to promptly provide the foregoing information to the Department may, at the discretion of the Department, result in a revocation of a previously approved application for that business, or disqualification of the business from future registration under this Section, or both. The Department may register the business only if ~~the business satisfies~~ all of the following conditions are satisfied:

(1) it has its principal place of business ~~headquarters~~ in this State;

(2) at least 51% of the employees employed by the business are employed in this State;

(3) the business ~~it~~ has the potential for increasing jobs in this State, increasing capital investment in this State, or both, as determined by the Department, and either of the following apply:

(A) it is principally engaged in innovation in any of the following: manufacturing; biotechnology; nanotechnology; communications; agricultural sciences; clean energy creation or storage technology; processing or assembling products, including medical devices, pharmaceuticals, computer software, computer hardware, semiconductors, other innovative technology products, or other products that are produced using manufacturing methods that are enabled by applying proprietary technology; or providing services that are enabled by applying proprietary technology; or

(B) it is undertaking pre-commercialization activity related to proprietary technology that includes conducting research, developing a new product or business process, or developing a service that is principally reliant on applying proprietary technology;

(4) it is not principally engaged in real estate development, insurance, banking, lending, lobbying, political consulting, professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants, wholesale or retail trade, leisure, hospitality, transportation, or construction, except construction of power production plants that derive energy from a renewable energy resource, as defined in Section 1 of the Illinois Power Agency Act;

(5) at the time it is first certified:

(A) it has fewer than 100 employees;

(B) it has been in operation in Illinois for not more than 10 consecutive years prior to the year of certification; and

(C) it has received not more than $10,000,000 in aggregate investments ~~private equity investment in cash~~;

(5.1) it agrees to maintain a minimum employment threshold in the State of Illinois prior to the date which is 3 years from the issue date of the last tax credit certificate issued by the Department with respect to that business pursuant to this Section;

(6) (blank); and

(7) it has received not more than $4,000,000 in investments that qualified for tax credits under this Section.

(f) The Department, in consultation with the Department of Revenue, shall adopt rules to administer this Section. The aggregate amount of the tax credits that may be claimed under this Section for investments made in qualified new business ventures shall be limited at $10,000,000 per calendar year, of which $500,000 shall be reserved for investments made in qualified new business ventures which are "minority owned businesses", "female owned businesses", or "businesses owned by a person with a disability" (as those terms are used and defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act), and an additional $500,000 shall be reserved for investments made in qualified new business ventures with their principal place of business in counties with a population of not more than 250,000. The foregoing annual allowable amounts shall be allocated by the Department, on a per calendar quarter basis and prior to the commencement of each calendar year, in such proportion as

determined by the Department, provided that: (i) the amount initially allocated by the Department for any one calendar quarter shall not exceed 35% of the total allowable amount; and (ii) any portion of the allocated allowable amount remaining unused as of the end of any of the first 2 calendar quarters of a given calendar year shall be rolled into, and added to, the total allocated amount for the next available calendar quarter.

(g) A claimant may not sell or otherwise transfer a credit awarded under this Section to another person.

(h) On or before March 1 of each year, the Department shall report to the Governor and to the General Assembly on the tax credit certificates awarded under this Section for the prior calendar year.

(1) This report must include, for each tax credit certificate awarded:

(A) the name of the claimant and the amount of credit awarded or allocated to that claimant;

(B) the name and address (including the county) of the qualified new business venture that received the investment giving rise to the credit, the North American Industry Classification System (NAICS) applicable to that qualified new business venture, and the number of employees of the ~~the~~ qualified new business venture ~~that received the investment giving rise to the credit and the county in which the qualified new business venture is located~~; and

(C) the date of approval by the Department of each claimant's ~~the applications for the~~ tax credit certificate.

(2) The report must also include:

(A) the total number of applicants and the total number of claimants, including the amount of each tax credit certificate ~~and amount for tax credit certificates~~ awarded to a claimant under this Section in the prior calendar year;

(B) the total number of applications from businesses seeking registration under this Section, the total number of new qualified business ventures registered by the Department, and the aggregate amount of investment upon which tax credit certificates were issued in the prior calendar year ~~the total number of applications and amount for which tax credit certificates were issued in the prior calendar year~~; and

(C) the total amount of tax credit certificates sought by applicants, the amount of each tax credit certificate issued to a claimant, the aggregate amount of all tax credit certificates issued in the prior calendar year and the aggregate amount of tax credit certificates issued as authorized under this Section for all calendar years ~~the total tax credit certificates and amount authorized under this Section for all calendar years~~.

(i) For each businesses seeking registration under this Section after December 31, 2016, the Department shall require the business to include in its application the North American Industry Classification System (NAICS) code applicable to the business and the number of employees of the business at the time of application. Each business registered by the Department as a qualified new business venture that receives an investment giving rise to the issuance of a tax credit certificate pursuant to this Section shall, for each of the 3 years following the issue date of the last tax credit certificate issued by the Department with respect to such business pursuant to this Section, report to the Department the following:

(1) the number of employees and the location at which those employees are employed, both as of the end of each year;

(2) the amount of additional new capital investment raised as of the end of each year, if any; and

(3) the terms of any liquidity event occurring during such year; for the purposes of this Section, a "liquidity event" means any event that would be considered an exit for an illiquid investment, including any event that allows the equity holders of the business (or any material portion thereof) to cash out some or all of their respective equity interests.

(Source: P.A. 96-939, eff. 1-1-11; 97-507, eff. 8-23-11; 97-1097, eff. 8-24-12.)".

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

At the hour of 12:51 o'clock p.m., President Cullerton, presiding, for the purpose of an introduction.

At the hour of 12:56 o'clock p.m., Senator Harmon, presiding, and the Chair announced the Senate stand at ease.

Senator Link, presiding.

**AT EASE**

At the hour of 1:03 o'clock p.m., Senator Harmon, presiding, and the Senate resumed consideration of business.

**REPORT FROM COMMITTEE ON ASSIGNMENTS**

Senator Harmon, Chairperson of the Committee on Assignments, during its May 4, 2017 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committee of the Senate:

Executive: **Floor Amendment No. 3 to Senate Bill 31; Floor Amendment No. 1 to Senate Bill 1289**.

Senator Harmon, Chairperson of the Committee on Assignments, during its May 4, 2017 meeting, reported that the Committee recommends that **House Joint Resolution No. 34** be re-referred from the Committee on State Government to the Committee on Executive.

**COMMITTEE MEETING ANNOUNCEMENT**

The Chair announced the following committee to meet at 2:10 o'clock p.m.:

Executive in Room 212

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Hunter, **Senate Bill No. 58** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McConchie | Rose |
| Anderson | Fowler | McConnaughay | Sandoval |
| Aquino | Harmon | McGuire | Schimpf |
| Barickman | Harris | Morrison | Stadelman |
| Bennett | Hastings | Mulroe | Steans |
| Bertino-Tarrant | Holmes | Muñoz | Syverson |
| Biss | Hunter | Murphy | Tracy |
| Brady | Hutchinson | Nybo | Trotter |
| Bush | Koehler | Oberweis | Van Pelt |
| Castro | Lightford | Radogno | Weaver |
| Clayborne | Link | Raoul | Mr. President |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |
| Cullerton, T. | McCann | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Morrison, **Senate Bill No. 320** was recalled from the order of third reading to the order of second reading.

Senator Morrison offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 320**

AMENDMENT NO. 1. Amend Senate Bill 320 by replacing everything after the enacting clause with the following:

"Section 5. The Child Death Review Team Act is amended by changing Sections 15 and 45 as follows:

(20 ILCS 515/15)

Sec. 15. Child death review teams; establishment.

(a) The Director, in consultation with the Executive Council, law enforcement, and other professionals who work in the field of investigating, treating, or preventing child abuse or neglect in that subregion, shall appoint members to a child death review team in each of the Department's administrative subregions of the State outside Cook County and at least one child death review team in Cook County. The members of a team shall be appointed for 2-year terms and shall be eligible for reappointment upon the expiration of the terms. The Director must fill any vacancy in a team within 60 days after that vacancy occurs.

(b) Each child death review team shall consist of at least one member from each of the following categories:

(1) Pediatrician or other physician knowledgeable about child abuse and neglect.

(2) Representative of the Department.

(3) State's attorney or State's attorney's representative.

(4) Representative of a local law enforcement agency.

(5) Psychologist or psychiatrist.

(6) Representative of a local health department.

(7) Representative of a school district or other education or child care interests.

(8) Coroner or forensic pathologist.

(9) Representative of a child welfare agency or child advocacy organization.

(10) Representative of a local hospital, trauma center, or provider of emergency medical services.

(11) Representative of the Department of State Police.

(12) Representative of the Department of Public Health.

Each child death review team may make recommendations to the Director concerning additional appointments.

Each child death review team member must have demonstrated experience and an interest in investigating, treating, or preventing child abuse or neglect.

(c) Each child death review team shall select a chairperson from among its members. The chairperson shall also serve on the Illinois Child Death Review Teams Executive Council.

(d) The child death review teams shall be funded under a separate line item in the Department's annual budget.

(Source: P.A. 95-527, eff. 6-1-08.)

(20 ILCS 515/45)

Sec. 45. Child Death Investigation Task Force~~; pilot program~~. The Child Death Review Teams Executive Council may, from funds appropriated by the Illinois General Assembly to the Department and provided to the Child Death Review Teams Executive Council for this purpose, or from funds that may otherwise be provided for this purpose from other public or private sources, establish ~~an 18-month pilot program~~ in the Southern Region of the State, as designated by the Department, ~~under which~~ a special Child Death Investigation Task Force ~~will be~~ created by the Child Death Review Teams Executive Council to develop and implement a plan for the investigation of sudden, unexpected, or unexplained deaths of children under 18 years of age occurring within that region. The plan shall include a protocol to be followed by child death review teams in the review of child deaths ~~authorized under paragraph (a)(5) of Section 20 of this Act~~. The plan must include provisions for local or State law enforcement agencies, hospitals, or coroners to promptly notify the Task Force of a death or serious life-threatening injury to a child, and for the Child Death Investigation Task Force to review the death and submit a report containing findings and recommendations to the Child Death Review Teams Executive Council, the Director, the Department of Children and Family Services Inspector General, the appropriate State's Attorney, and the State Representative and State Senator in whose legislative districts the case arose. The plan may include

coordination with any investigation conducted under the Children's Advocacy Center Act. By July 1 of each year, ~~By July 1, 2011,~~ the Child Death Review Teams Executive Council shall submit a report to the Director, the General Assembly, and the Governor summarizing the results of the Child Death Investigation Task Force ~~pilot program~~ together with any recommendations for statewide implementation of a protocol for the investigation of all sudden, unexpected, or unexplained child deaths.
(Source: P.A. 95-527, eff. 6-1-08; 96-955, eff. 6-30-10; 96-1000, eff. 7-2-10.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Morrison, **Senate Bill No. 320** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Sandoval |
| Barickman | Harris | McGuire | Schimpf |
| Bennett | Hastings | Morrison | Stadelman |
| Bertino-Tarrant | Holmes | Mulroe | Steans |
| Biss | Hunter | Muñoz | Syverson |
| Brady | Hutchinson | Murphy | Tracy |
| Bush | Koehler | Nybo | Trotter |
| Castro | Lightford | Oberweis | Van Pelt |
| Clayborne | Link | Radogno | Weaver |
| Collins | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Morrison, **Senate Bill No. 315** was recalled from the order of third reading to the order of second reading.

Senator Morrison offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 315**

AMENDMENT NO. 1. Amend Senate Bill 315 by replacing everything after the enacting clause with the following:

"Section 5. The Firearm Owners Identification Card Act is amended by changing Sections 1, 1.1, 2, 3, and 3.1 as follows:

(430 ILCS 65/1) (from Ch. 38, par. 83-1)

Sec. 1. It is hereby declared as a matter of legislative determination that in order to promote and protect the health, safety, and welfare of the public, it is necessary and in the public interest to provide a system of identifying persons who are not qualified to acquire or possess firearms, pre-packaged explosive components, firearm ammunition, stun guns, and tasers within the State of Illinois by the establishment of a system of Firearm Owner's Identification Cards, thereby establishing a practical and workable system by which law enforcement authorities will be afforded an opportunity to identify those persons who are prohibited by Section 24-3.1 of the Criminal Code of 2012, from acquiring or possessing firearms and firearm ammunition and who are prohibited by this Act from acquiring stun guns and tasers.
(Source: P.A. 97-1150, eff. 1-25-13.)

(430 ILCS 65/1.1) (from Ch. 38, par. 83-1.1)

Sec. 1.1. For purposes of this Act:

"Addicted to narcotics" means a person who has been:

(1) convicted of an offense involving the use or possession of cannabis, a controlled substance, or methamphetamine within the past year; or

(2) determined by the Department of State Police to be addicted to narcotics based upon federal law or federal guidelines.

"Addicted to narcotics" does not include possession or use of a prescribed controlled substance under the direction and authority of a physician or other person authorized to prescribe the controlled substance when the controlled substance is used in the prescribed manner.

"Adjudicated as a person with a mental disability" means the person is the subject of a determination by a court, board, commission or other lawful authority that the person, as a result of marked subnormal intelligence, or mental illness, mental impairment, incompetency, condition, or disease:

(1) presents a clear and present danger to himself, herself, or to others;

(2) lacks the mental capacity to manage his or her own affairs or is adjudicated a person with a disability as defined in Section 11a-2 of the Probate Act of 1975;

(3) is not guilty in a criminal case by reason of insanity, mental disease or defect;

(3.5) is guilty but mentally ill, as provided in Section 5-2-6 of the Unified Code of Corrections;

(4) is incompetent to stand trial in a criminal case;

(5) is not guilty by reason of lack of mental responsibility under Articles 50a and 72b of the Uniform Code of Military Justice, 10 U.S.C. 850a, 876b;

(6) is a sexually violent person under subsection (f) of Section 5 of the Sexually Violent Persons Commitment Act;

(7) is a sexually dangerous person under the Sexually Dangerous Persons Act;

(8) is unfit to stand trial under the Juvenile Court Act of 1987;

(9) is not guilty by reason of insanity under the Juvenile Court Act of 1987;

(10) is subject to involuntary admission as an inpatient as defined in Section 1-119 of the Mental Health and Developmental Disabilities Code;

(11) is subject to involuntary admission as an outpatient as defined in Section 1-119.1 of the Mental Health and Developmental Disabilities Code;

(12) is subject to judicial admission as set forth in Section 4-500 of the Mental Health and Developmental Disabilities Code; or

(13) is subject to the provisions of the Interstate Agreements on Sexually Dangerous Persons Act.

"Clear and present danger" means a person who:

(1) communicates a serious threat of physical violence against a reasonably identifiable victim or poses a clear and imminent risk of serious physical injury to himself, herself, or another person as determined by a physician, clinical psychologist, or qualified examiner; or

(2) demonstrates threatening physical or verbal behavior, such as violent, suicidal, or assaultive threats, actions, or other behavior, as determined by a physician, clinical psychologist, qualified examiner, school administrator, or law enforcement official.

"Clinical psychologist" has the meaning provided in Section 1-103 of the Mental Health and Developmental Disabilities Code.

"Controlled substance" means a controlled substance or controlled substance analog as defined in the Illinois Controlled Substances Act.

"Counterfeit" means to copy or imitate, without legal authority, with intent to deceive.

"Federally licensed firearm dealer" means a person who is licensed as a federal firearms dealer under Section 923 of the federal Gun Control Act of 1968 (18 U.S.C. 923).

"Firearm" means any device, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosion, expansion of gas or escape of gas; excluding, however:

(1) any pneumatic gun, spring gun, paint ball gun, or B-B gun which expels a single globular projectile not exceeding .18 inch in diameter or which has a maximum muzzle velocity of less than 700 feet per second;

(1.1) any pneumatic gun, spring gun, paint ball gun, or B-B gun which expels breakable paint balls containing washable marking colors;

(2) any device used exclusively for signalling or safety and required or recommended by the United States Coast Guard or the Interstate Commerce Commission;

(3) any device used exclusively for the firing of stud cartridges, explosive rivets or similar industrial ammunition; and

(4) an antique firearm (other than a machine-gun) which, although designed as a weapon, the Department of State Police finds by reason of the date of its manufacture, value, design, and other characteristics is primarily a collector's item and is not likely to be used as a weapon.

"Firearm ammunition" means any self-contained cartridge or shotgun shell, by whatever name known, which is designed to be used or adaptable to use in a firearm; excluding, however:

(1) any ammunition exclusively designed for use with a device used exclusively for signalling or safety and required or recommended by the United States Coast Guard or the Interstate Commerce Commission; and

(2) any ammunition designed exclusively for use with a stud or rivet driver or other similar industrial ammunition.

"Gun show" means an event or function:

(1) at which the sale and transfer of firearms is the regular and normal course of business and where 50 or more firearms are displayed, offered, or exhibited for sale, transfer, or exchange; or

(2) at which not less than 10 gun show vendors display, offer, or exhibit for sale, sell, transfer, or exchange firearms.

"Gun show" includes the entire premises provided for an event or function, including parking areas for the event or function, that is sponsored to facilitate the purchase, sale, transfer, or exchange of firearms as described in this Section. Nothing in this definition shall be construed to exclude a gun show held in conjunction with competitive shooting events at the World Shooting Complex sanctioned by a national governing body in which the sale or transfer of firearms is authorized under subparagraph (5) of paragraph (g) of subsection (A) of Section 24-3 of the Criminal Code of 2012.

Unless otherwise expressly stated, "gun show" does not include training or safety classes, competitive shooting events, such as rifle, shotgun, or handgun matches, trap, skeet, or sporting clays shoots, dinners, banquets, raffles, or any other event where the sale or transfer of firearms is not the primary course of business.

"Gun show promoter" means a person who organizes or operates a gun show.

"Gun show vendor" means a person who exhibits, sells, offers for sale, transfers, or exchanges any firearms at a gun show, regardless of whether the person arranges with a gun show promoter for a fixed location from which to exhibit, sell, offer for sale, transfer, or exchange any firearm.

"Involuntarily admitted" has the meaning as prescribed in Sections 1-119 and 1-119.1 of the Mental Health and Developmental Disabilities Code.

"Mental health facility" means any licensed private hospital or hospital affiliate, institution, or facility, or part thereof, and any facility, or part thereof, operated by the State or a political subdivision thereof which provide treatment of persons with mental illness and includes all hospitals, institutions, clinics, evaluation facilities, mental health centers, colleges, universities, long-term care facilities, and nursing homes, or parts thereof, which provide treatment of persons with mental illness whether or not the primary purpose is to provide treatment of persons with mental illness.

"National governing body" means a group of persons who adopt rules and formulate policy on behalf of a national firearm sporting organization.

"Patient" means:

(1) a person who voluntarily receives mental health treatment as an in-patient or resident of any public or private mental health facility, unless the treatment was solely for an alcohol abuse disorder and no other secondary substance abuse disorder or mental illness; or

(2) a person who voluntarily receives mental health treatment as an out-patient or is provided services by a public or private mental health facility, and who poses a clear and present danger to himself, herself, or to others.

"Person with a developmental disability" means a person with a disability which is attributable to any other condition which results in impairment similar to that caused by an intellectual disability and which requires services similar to those required by persons with intellectual disabilities. The disability must originate before the age of 18 years, be expected to continue indefinitely, and constitute a substantial disability. This disability results, in the professional opinion of a physician, clinical psychologist, or qualified examiner, in significant functional limitations in 3 or more of the following areas of major life activity:

(i) self-care;

(ii) receptive and expressive language;

(iii) learning;

(iv) mobility; or

(v) self-direction.

"Person with an intellectual disability" means a person with a significantly subaverage general intellectual functioning which exists concurrently with impairment in adaptive behavior and which originates before the age of 18 years.

"Physician" has the meaning as defined in Section 1-120 of the Mental Health and Developmental Disabilities Code.

"Pre-packaged explosive components" has the same meaning ascribed to the term in Section 24-4.3 of the Criminal Code of 2012.

"Qualified examiner" has the meaning provided in Section 1-122 of the Mental Health and Developmental Disabilities Code.

"Sanctioned competitive shooting event" means a shooting contest officially recognized by a national or state shooting sport association, and includes any sight-in or practice conducted in conjunction with the event.

"School administrator" means the person required to report under the School Administrator Reporting of Mental Health Clear and Present Danger Determinations Law.

"Stun gun or taser" has the meaning ascribed to it in Section 24-1 of the Criminal Code of 2012.

(Source: P.A. 98-63, eff. 7-9-13; 99-29, eff. 7-10-15; 99-143, eff. 7-27-15; 99-642, eff. 7-28-16.)

(430 ILCS 65/2) (from Ch. 38, par. 83-2)

Sec. 2. Firearm Owner's Identification Card required; exceptions.

(a) (1) No person may acquire or possess any firearm, pre-packaged explosive components, stun gun, or taser within this State without having in his or her possession a Firearm Owner's Identification Card previously issued in his or her name by the Department of State Police under the provisions of this Act.

(2) No person may acquire or possess firearm ammunition within this State without having in his or her possession a Firearm Owner's Identification Card previously issued in his or her name by the Department of State Police under the provisions of this Act.

(b) The provisions of this Section regarding the possession of firearms, firearm ammunition, stun guns, and tasers do not apply to:

(1) United States Marshals, while engaged in the operation of their official duties;

(2) Members of the Armed Forces of the United States or the National Guard, while engaged in the operation of their official duties;

(3) Federal officials required to carry firearms, while engaged in the operation of their official duties;

(4) Members of bona fide veterans organizations which receive firearms directly from the armed forces of the United States, while using the firearms for ceremonial purposes with blank ammunition;

(5) Nonresident hunters during hunting season, with valid nonresident hunting licenses and while in an area where hunting is permitted; however, at all other times and in all other places these persons must have their firearms unloaded and enclosed in a case;

(6) Those hunters exempt from obtaining a hunting license who are required to submit their Firearm Owner's Identification Card when hunting on Department of Natural Resources owned or managed sites;

(7) Nonresidents while on a firing or shooting range recognized by the Department of State Police; however, these persons must at all other times and in all other places have their firearms unloaded and enclosed in a case;

(8) Nonresidents while at a firearm showing or display recognized by the Department of State Police; however, at all other times and in all other places these persons must have their firearms unloaded and enclosed in a case;

(9) Nonresidents whose firearms are unloaded and enclosed in a case;

(10) Nonresidents who are currently licensed or registered to possess a firearm in their resident state;

(11) Unemancipated minors while in the custody and immediate control of their parent or legal guardian or other person in loco parentis to the minor if the parent or legal guardian or other person in loco parentis to the minor has a currently valid Firearm Owner's Identification Card;

(12) Color guards of bona fide veterans organizations or members of bona fide American Legion bands while using firearms for ceremonial purposes with blank ammunition;

(13) Nonresident hunters whose state of residence does not require them to be licensed or registered to possess a firearm and only during hunting season, with valid hunting licenses, while accompanied by, and using a firearm owned by, a person who possesses a valid Firearm Owner's Identification Card and while in an area within a commercial club licensed under the Wildlife Code where hunting is permitted and controlled, but in no instance upon sites owned or managed by the Department of Natural Resources;

(14) Resident hunters who are properly authorized to hunt and, while accompanied by a person who possesses a valid Firearm Owner's Identification Card, hunt in an area within a commercial club licensed under the Wildlife Code where hunting is permitted and controlled;

(15) A person who is otherwise eligible to obtain a Firearm Owner's Identification Card under this Act and is under the direct supervision of a holder of a Firearm Owner's Identification Card who is 21 years of age or older while the person is on a firing or shooting range or is a participant in a firearms safety and training course recognized by a law enforcement agency or a national, statewide shooting sports organization; and

(16) Competitive shooting athletes whose competition firearms are sanctioned by the International Olympic Committee, the International Paralympic Committee, the International Shooting Sport Federation, or USA Shooting in connection with such athletes' training for and participation in shooting competitions at the 2016 Olympic and Paralympic Games and sanctioned test events leading up to the 2016 Olympic and Paralympic Games.

(c) The provisions of this Section regarding the acquisition and possession of firearms, pre-packaged explosive components, firearm ammunition, stun guns, and tasers do not apply to law enforcement officials of this or any other jurisdiction, while engaged in the performance ~~operation~~ of their official duties.

(c-5) The provisions of paragraphs (1) and (2) of subsection (a) of this Section regarding the possession of firearms and firearm ammunition do not apply to the holder of a valid concealed carry license issued under the Firearm Concealed Carry Act who is in physical possession of the concealed carry license.

(c-10) The provisions of paragraph (1) of subsection (a) of this Section regarding the acquisition and possession of pre-packaged explosive components do not apply to:

(1) Members of the Armed Services or Reserves Forces of the United States or the Illinois National Guard while in the performance of their official duty.

(2) Persons licensed under State and federal law to manufacture, import, or sell pre-packaged explosive components, and actually engaged in that business, but only with respect to activities which are within the lawful scope of the business, including the manufacture, transportation, or testing of pre-packaged explosive components.

(3) Contractors or subcontractors engaged in the manufacture, transport, testing, delivery, transfer or sale, and lawful experimental activities under a contract or subcontract for the development and supply of the product to the United States government or any branch of the Armed Forces of the United States, when those activities are necessary and incident to fulfilling the terms of the contract. The exemption granted under this paragraph (3) shall also apply to any authorized agent of any contractor or subcontractor described in this paragraph (3) who is operating within the scope of his or her employment, when the activities involving the pre-packaged explosive components are necessary and incident to fulfilling the terms of the contract.

(4) Sales clerks or retail merchants selling or transferring pre-packaged explosive components.

(d) Any person who becomes a resident of this State, who is not otherwise prohibited from obtaining, possessing, or using a firearm or firearm ammunition, shall not be required to have a Firearm Owner's Identification Card to possess firearms or firearms ammunition until 60 calendar days after he or she obtains an Illinois driver's license or Illinois Identification Card.

(Source: P.A. 99-29, eff. 7-10-15.)

(430 ILCS 65/3) (from Ch. 38, par. 83-3)

Sec. 3. (a) Except as provided in Section 3a, no person may knowingly transfer, or cause to be transferred, any firearm, pre-packaged explosive components, firearm ammunition, stun gun, or taser to any person within this State unless the transferee with whom he deals displays either: (1) a currently valid Firearm Owner's Identification Card which has previously been issued in his or her name by the

Department of State Police under the provisions of this Act; or (2) a currently valid license to carry a concealed firearm which has previously been issued in his or her name by the Department of State Police under the Firearm Concealed Carry Act. In addition, all firearm, pre-packaged explosive components, stun gun, and taser transfers by federally licensed firearm dealers are subject to Section 3.1.

(a-5) Any person who is not a federally licensed firearm dealer and who desires to transfer or sell a firearm while that person is on the grounds of a gun show must, before selling or transferring the firearm, request the Department of State Police to conduct a background check on the prospective recipient of the firearm in accordance with Section 3.1.

(a-10) Notwithstanding item (2) of subsection (a) of this Section, any person who is not a federally licensed firearm dealer and who desires to transfer or sell a firearm or firearms to any person who is not a federally licensed firearm dealer shall, before selling or transferring the firearms, contact the Department of State Police with the transferee's or purchaser's Firearm Owner's Identification Card number to determine the validity of the transferee's or purchaser's Firearm Owner's Identification Card. This subsection shall not be effective until January 1, 2014. The Department of State Police may adopt rules concerning the implementation of this subsection. The Department of State Police shall provide the seller or transferor an approval number if the purchaser's Firearm Owner's Identification Card is valid. Approvals issued by the Department for the purchase of a firearm pursuant to this subsection are valid for 30 days from the date of issue.

(a-15) The provisions of subsection (a-10) of this Section do not apply to:

(1) transfers that occur at the place of business of a federally licensed firearm dealer, if the federally licensed firearm dealer conducts a background check on the prospective recipient of the firearm in accordance with Section 3.1 of this Act and follows all other applicable federal, State, and local laws as if he or she were the seller or transferor of the firearm, although the dealer is not required to accept the firearm into his or her inventory. The purchaser or transferee may be required by the federally licensed firearm dealer to pay a fee not to exceed $10 per firearm, which the dealer may retain as compensation for performing the functions required under this paragraph, plus the applicable fees authorized by Section 3.1;

(2) transfers as a bona fide gift to the transferor's husband, wife, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, nephew, niece, uncle, aunt, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, or daughter-in-law;

(3) transfers by persons acting pursuant to operation of law or a court order;

(4) transfers on the grounds of a gun show under subsection (a-5) of this Section;

(5) the delivery of a firearm by its owner to a gunsmith for service or repair, the return of the firearm to its owner by the gunsmith, or the delivery of a firearm by a gunsmith to a federally licensed firearms dealer for service or repair and the return of the firearm to the gunsmith;

(6) temporary transfers that occur while in the home of the unlicensed transferee, if the unlicensed transferee is not otherwise prohibited from possessing firearms and the unlicensed transferee reasonably believes that possession of the firearm is necessary to prevent imminent death or great bodily harm to the unlicensed transferee;

(7) transfers to a law enforcement or corrections agency or a law enforcement or corrections officer acting within the course and scope of his or her official duties;

(8) transfers of firearms that have been rendered permanently inoperable to a nonprofit historical society, museum, or institutional collection; and

(9) transfers to a person who is exempt from the requirement of possessing a Firearm Owner's Identification Card under Section 2 of this Act.

(a-20) The Department of State Police shall develop an Internet-based system for individuals to determine the validity of a Firearm Owner's Identification Card prior to the sale or transfer of a firearm. The Department shall have the Internet-based system completed and available for use by July 1, 2015. The Department shall adopt rules not inconsistent with this Section to implement this system.

(b) Any person within this State who transfers or causes to be transferred any firearm, pre-packaged explosive components, stun gun, or taser shall keep a record of the ~~such~~ transfer for a period of 10 years from the date of transfer. The ~~Such~~ record shall contain the date of the transfer; the description, serial number or other information identifying the firearm, pre-packaged explosive components, stun gun, or taser if no serial number is available; and, if the transfer was completed within this State, the transferee's Firearm Owner's Identification Card number and any approval number or documentation provided by the Department of State Police under ~~pursuant to~~ subsection (a-10) of this Section. On or after January 1, 2006, the record shall contain the date of application for transfer of the firearm. On demand of a peace officer the ~~such~~ transferor shall produce for inspection the ~~such~~ record of transfer. If the transfer or sale

took place at a gun show, the record shall include the unique identification number. Failure to record the unique identification number or approval number is a petty offense.

(b-5) Any resident may purchase ammunition from a person within or outside of Illinois if shipment is by United States mail or by a private express carrier authorized by federal law to ship ammunition. Any resident purchasing ammunition within or outside the State of Illinois must provide the seller with a copy of his or her valid Firearm Owner's Identification Card or valid concealed carry license and either his or her Illinois driver's license or Illinois State Identification Card prior to the shipment of the ammunition. The ammunition may be shipped only to an address on either of those 2 documents.

(c) The provisions of this Section regarding the transfer of firearm ammunition shall not apply to those persons specified in paragraph (b) of Section 2 of this Act.

(Source: P.A. 98-508, eff. 8-19-13; 99-29, eff. 7-10-15.)

(430 ILCS 65/3.1) (from Ch. 38, par. 83-3.1)

Sec. 3.1. Dial up system.

(a) The Department of State Police shall provide a dial up telephone system or utilize other existing technology which shall be used by any federally licensed firearm dealer, gun show promoter, or gun show vendor who is to transfer a firearm, stun gun, or taser under the provisions of this Act. The Department of State Police may utilize existing technology which allows the caller to be charged a fee not to exceed $2. Fees collected by the Department of State Police shall be deposited in the State Police Services Fund and used to provide the service.

(b) Upon receiving a request from a federally licensed firearm dealer, gun show promoter, or gun show vendor, the Department of State Police shall immediately approve, or within the time period established by Section 24-3 of the Criminal Code of 2012 regarding the delivery of firearms, stun guns, and tasers notify the inquiring dealer, gun show promoter, or gun show vendor of any objection that would disqualify the transferee from acquiring or possessing a firearm, stun gun, or taser. In conducting the inquiry, the Department of State Police shall initiate and complete an automated search of its criminal history record information files and those of the Federal Bureau of Investigation, including the National Instant Criminal Background Check System, and of the files of the Department of Human Services relating to mental health and developmental disabilities to obtain any felony conviction or patient hospitalization information which would disqualify a person from obtaining or require revocation of a currently valid Firearm Owner's Identification Card.

(c) If receipt of a firearm would not violate Section 24-3 of the Criminal Code of 2012, federal law, or this Act the Department of State Police shall:

(1) assign a unique identification number to the transfer; and

(2) provide the licensee, gun show promoter, or gun show vendor with the number.

(d) Approvals issued by the Department of State Police for the purchase of a firearm are valid for 30 days from the date of issue.

(d-5) Upon receiving a request from a federally licensed firearm dealer, the Department of State Police shall immediately approve or disprove the delivery of pre-packaged explosive components and notify the inquiring dealer of any objection that would disqualify the transferee from acquiring or possessing pre-packaged explosive components. In conducting the inquiry, the Department of State Police shall initiate and complete an automated search of its criminal history record information files and those of the Federal Bureau of Investigation, including the National Instant Criminal Background Check System, and of the files of the Department of Human Services relating to mental health and developmental disabilities to obtain any felony conviction or patient hospitalization information which would disqualify a person from obtaining or require revocation of a currently valid Firearm Owner's Identification Card.

(d-10) If the receipt of pre-packaged explosive components would not violate this Act, the Department of State Police shall:

(1) assign a unique identification number to the transfer; and

(2) provide the licensee with the number.

(d-15) Approvals issued by the Department of State Police for the purchase of a pre-packaged explosive components are valid for 30 days from the date of issue.

(e) (1) The Department of State Police must act as the Illinois Point of Contact for the National Instant Criminal Background Check System.

(2) The Department of State Police and the Department of Human Services shall, in accordance with State and federal law regarding confidentiality, enter into a memorandum of understanding with the Federal Bureau of Investigation for the purpose of implementing the National Instant Criminal Background Check System in the State. The Department of State Police shall report the name, date of birth, and physical description of any person prohibited from possessing a firearm pursuant to the Firearm

Owners Identification Card Act or 18 U.S.C. 922(g) and (n) to the National Instant Criminal Background Check System Index, Denied Persons Files.

(3) The Department of State Police shall provide notice of the disqualification of a person under subsection (b) of this Section or the revocation of a person's Firearm Owner's Identification Card under Section 8 or Section 8.2 of this Act, and the reason for the disqualification or revocation, to all law enforcement agencies with jurisdiction to assist with the seizure of the person's Firearm Owner's Identification Card.

(f) The Department of State Police shall adopt rules not inconsistent with this Section to implement this system.

(Source: P.A. 98-63, eff. 7-9-13; 99-787, eff. 1-1-17.)

Section 10. The Criminal Code of 2012 is amended by adding 24-4.3 as follows:

(720 ILCS 5/24-4.3 new)

Sec. 24-4.3. Unlawful sale or delivery of pre-packaged explosive components.

(a) A person commits unlawful sale or delivery of pre-packaged explosive components when he or she knowingly does any of the following:

(1) Sells or gives pre-packaged explosive components to a person who is disqualified under the Firearm Owners Identification Card Act.

(2) Sells or transfers pre-packaged explosive components to a person who does not display to the seller or transferor of the pre-packaged explosive components a currently valid Firearm Owner's Identification Card that has previously been issued in the transferee's name by the Department of State Police under the Firearm Owners Identification Card Act. This paragraph (2) does not apply to the transfer of pre-packaged explosive components to a person who is exempt from the requirement of possessing a Firearm Owner's Identification Card under Section 2 of the Firearm Owners Identification Card Act. For the purposes of this Section, a currently valid Firearm Owner's Identification Card means a Firearm Owner's Identification Card that has not expired. An approval number issued under Section 3.1 of the Firearm Owners Identification Card Act shall be proof that the Firearm Owner's Identification Card was valid.

(3) Sells or gives pre-packaged explosive components while engaged in the business of selling pre-packaged explosive components at wholesale or retail without being licensed as a federal firearms dealer under Section 923 of the federal Gun Control Act of 1968 (18 U.S.C. 923). In this paragraph (3), a person "engaged in the business" means a person who devotes time, attention, and labor to engaging in the activity as a regular course of trade or business with the principal objective of livelihood and profit.

(b) For the purposes of this Section, "pre-packaged explosive components" means a pre-packaged product containing 2 or more unmixed, commercially manufactured chemical substances that are not independently classified as explosives but which when mixed or combined, results in an explosive material subject to regulation by the federal Bureau of Alcohol, Tobacco, Firearms, and Explosives under Title 27 CFR Part 555.

(c) All sellers or transferors who have complied with the requirements of this Section shall not be liable for damages in any civil action arising from the use or misuse by the transferee of the pre-packaged explosive components transferred, except for willful or wanton misconduct on the part of the seller or transferor.

(d) Sentence. Any person who is convicted of unlawful sale or delivery of pre-packaged explosive components commits a Class 4 felony.

Section 99. Effective date. This Act takes effect July 1, 2018.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Morrison offered the following amendment and moved its adoption:

**AMENDMENT NO. 2 TO SENATE BILL 315**

AMENDMENT NO. 2. Amend Senate Bill 315, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, as follows:

on page 1, line 5, by replacing "3, and 3.1" with "and 3"; and

on page 15, line 24, by deleting "pre-packaged explosive components,"; and

by deleting line 7 on page 20 through line 18 on page 23; and

on page 24, by replacing lines 19 through 22 with "Card that has not expired.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Morrison, **Senate Bill No. 315** having been transcribed and typed and all amendments adopted thereto having been printed, 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 43; NAYS 7.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Harmon | McConnaughay | Rooney |
| Aquino | Harris | McGuire | Sandoval |
| Bennett | Hastings | Morrison | Schimpf |
| Bertino-Tarrant | Holmes | Mulroe | Stadelman |
| Biss | Hunter | Muñoz | Steans |
| Bush | Hutchinson | Murphy | Syverson |
| Castro | Koehler | Nybo | Tracy |
| Clayborne | Lightford | Oberweis | Trotter |
| Collins | Link | Radogno | Van Pelt |
| Cullerton, T. | Manar | Raoul | Mr. President |
| Cunningham | Martinez | Righter | |

The following voted in the negative:

| | | | |
|---|---|---|---|
| Anderson | Fowler | McCarter | Rose |
| Barickman | McCann | McConchie | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Muñoz, **Senate Bill No. 473** was recalled from the order of third reading to the order of second reading.

Senator Muñoz offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 473**

AMENDMENT NO. 1. Amend Senate Bill 473 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Sections 15-170, 15-172, and 15-175 as follows:

(35 ILCS 200/15-170)

Sec. 15-170. Senior Citizens Homestead Exemption. An annual homestead exemption limited, except as described here with relation to cooperatives or life care facilities, to a maximum reduction set forth

below from the property's value, as equalized or assessed by the Department, is granted for property that is occupied as a residence by a person 65 years of age or older who is liable for paying real estate taxes on the property and is an owner of record of the property or has a legal or equitable interest therein as evidenced by a written instrument, except for a leasehold interest, other than a leasehold interest of land on which a single family residence is located, which is occupied as a residence by a person 65 years or older who has an ownership interest therein, legal, equitable or as a lessee, and on which he or she is liable for the payment of property taxes. Before taxable year 2004, the maximum reduction shall be $2,500 in counties with 3,000,000 or more inhabitants and $2,000 in all other counties. For taxable years 2004 through 2005, the maximum reduction shall be $3,000 in all counties. For taxable years 2006 and 2007, the maximum reduction shall be $3,500. For taxable years 2008 through 2011, the maximum reduction is $4,000 in all counties. For taxable year 2012, the maximum reduction is $5,000 in counties with 3,000,000 or more inhabitants and $4,000 in all other counties. For taxable years 2013 through 2016 ~~and thereafter~~, the maximum reduction is $5,000 in all counties. For taxable years 2017 and thereafter, the maximum reduction is $8,000 in counties with 3,000,000 or more inhabitants and $5,000 in all other counties.

For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by a person 65 years of age or older who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. For land improved with a life care facility, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by persons 65 years of age or older, irrespective of any legal, equitable, or leasehold interest in the facility, who are liable, under a contract with the owner or owners of record of the facility, for paying property taxes on the property. In a cooperative or a life care facility where a homestead exemption has been granted, the cooperative association or the management firm of the cooperative or facility shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner or resident who qualified for the exemption. Any person who willfully refuses to so credit the savings shall be guilty of a Class B misdemeanor. Under this Section and Sections 15-175, 15-176, and 15-177, "life care facility" means a facility, as defined in Section 2 of the Life Care Facilities Act, with which the applicant for the homestead exemption has a life care contract as defined in that Act.

When a homestead exemption has been granted under this Section and the person qualifying subsequently becomes a resident of a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, the exemption shall continue so long as the residence continues to be occupied by the qualifying person's spouse if the spouse is 65 years of age or older, or if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

A person who will be 65 years of age during the current assessment year shall be eligible to apply for the homestead exemption during that assessment year. Application shall be made during the application period in effect for the county of his residence.

Beginning with assessment year 2003, for taxes payable in 2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the senior citizens homestead exemption under this Section must be granted a pro-rata exemption for the assessment year. The amount of the pro-rata exemption is the exemption allowed in the county under this Section divided by 365 and multiplied by the number of days during the assessment year the property is occupied as a residence by a person eligible for the exemption under this Section. The chief county assessment officer must adopt reasonable procedures to establish eligibility for this pro-rata exemption.

The assessor or chief county assessment officer may determine the eligibility of a life care facility to receive the benefits provided by this Section, by affidavit, application, visual inspection, questionnaire or other reasonable methods in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The assessor may request reasonable proof that the management firm has so credited the exemption.

The chief county assessment officer of each county with less than 3,000,000 inhabitants shall provide to each person allowed a homestead exemption under this Section a form to designate any other person to receive a duplicate of any notice of delinquency in the payment of taxes assessed and levied under this Code on the property of the person receiving the exemption. The duplicate notice shall be in addition to the notice required to be provided to the person receiving the exemption, and shall be given in the manner required by this Code. The person filing the request for the duplicate notice shall pay a fee of $5 to cover administrative costs to the supervisor of assessments, who shall then file the executed designation with the county collector. Notwithstanding any other provision of this Code to the contrary, the filing of such an

executed designation requires the county collector to provide duplicate notices as indicated by the designation. A designation may be rescinded by the person who executed such designation at any time, in the manner and form required by the chief county assessment officer.

The assessor or chief county assessment officer may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire or other reasonable methods. The determination shall be made in accordance with guidelines established by the Department.

In counties with 3,000,000 or more inhabitants, beginning in taxable year 2010, each taxpayer who has been granted an exemption under this Section must reapply on an annual basis. The chief county assessment officer shall mail the application to the taxpayer. In counties with less than 3,000,000 inhabitants, the county board may by resolution provide that if a person has been granted a homestead exemption under this Section, the person qualifying need not reapply for the exemption.

In counties with less than 3,000,000 inhabitants, if the assessor or chief county assessment officer requires annual application for verification of eligibility for an exemption once granted under this Section, the application shall be mailed to the taxpayer.

The assessor or chief county assessment officer shall notify each person who qualifies for an exemption under this Section that the person may also qualify for deferral of real estate taxes under the Senior Citizens Real Estate Tax Deferral Act. The notice shall set forth the qualifications needed for deferral of real estate taxes, the address and telephone number of county collector, and a statement that applications for deferral of real estate taxes may be obtained from the county collector.

Notwithstanding Sections 6 and 8 of the State Mandates Act, no reimbursement by the State is required for the implementation of any mandate created by this Section.

(Source: P.A. 98-7, eff. 4-23-13; 98-104, eff. 7-22-13; 98-756, eff. 7-16-14; 99-180, eff. 7-29-15.)

(35 ILCS 200/15-172)

Sec. 15-172. Senior Citizens Assessment Freeze Homestead Exemption.

(a) This Section may be cited as the Senior Citizens Assessment Freeze Homestead Exemption.

(b) As used in this Section:

"Applicant" means an individual who has filed an application under this Section.

"Base amount" means the base year equalized assessed value of the residence plus the first year's equalized assessed value of any added improvements which increased the assessed value of the residence after the base year.

"Base year" means the taxable year prior to the taxable year for which the applicant first qualifies and applies for the exemption provided that in the prior taxable year the property was improved with a permanent structure that was occupied as a residence by the applicant who was liable for paying real property taxes on the property and who was either (i) an owner of record of the property or had legal or equitable interest in the property as evidenced by a written instrument or (ii) had a legal or equitable interest as a lessee in the parcel of property that was single family residence. If in any subsequent taxable year for which the applicant applies and qualifies for the exemption the equalized assessed value of the residence is less than the equalized assessed value in the existing base year (provided that such equalized assessed value is not based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years), then that subsequent taxable year shall become the base year until a new base year is established under the terms of this paragraph. For taxable year 1999 only, the Chief County Assessment Officer shall review (i) all taxable years for which the applicant applied and qualified for the exemption and (ii) the existing base year. The assessment officer shall select as the new base year the year with the lowest equalized assessed value. An equalized assessed value that is based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years shall not be considered the lowest equalized assessed value. The selected year shall be the base year for taxable year 1999 and thereafter until a new base year is established under the terms of this paragraph.

"Chief County Assessment Officer" means the County Assessor or Supervisor of Assessments of the county in which the property is located.

"Equalized assessed value" means the assessed value as equalized by the Illinois Department of Revenue.

"Household" means the applicant, the spouse of the applicant, and all persons using the residence of the applicant as their principal place of residence.

"Household income" means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income" has the same meaning as provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that, beginning in assessment year 2001, "income" does not include veteran's benefits.

"Internal Revenue Code of 1986" means the United States Internal Revenue Code of 1986 or any successor law or laws relating to federal income taxes in effect for the year preceding the taxable year.

"Life care facility that qualifies as a cooperative" means a facility as defined in Section 2 of the Life Care Facilities Act.

"Maximum income limitation" means:

(1) $35,000 prior to taxable year 1999;

(2) $40,000 in taxable years 1999 through 2003;

(3) $45,000 in taxable years 2004 through 2005;

(4) $50,000 in taxable years 2006 and 2007; ~~and~~

(5) $55,000 in taxable years 2008 through 2016; and ~~year 2008 and thereafter.~~

(6) $65,000 in taxable years 2017 and thereafter.

"Residence" means the principal dwelling place and appurtenant structures used for residential purposes in this State occupied on January 1 of the taxable year by a household and so much of the surrounding land, constituting the parcel upon which the dwelling place is situated, as is used for residential purposes. If the Chief County Assessment Officer has established a specific legal description for a portion of property constituting the residence, then that portion of property shall be deemed the residence for the purposes of this Section.

"Taxable year" means the calendar year during which ad valorem property taxes payable in the next succeeding year are levied.

(c) Beginning in taxable year 1994, a senior citizens assessment freeze homestead exemption is granted for real property that is improved with a permanent structure that is occupied as a residence by an applicant who (i) is 65 years of age or older during the taxable year, (ii) has a household income that does not exceed the maximum income limitation, (iii) is liable for paying real property taxes on the property, and (iv) is an owner of record of the property or has a legal or equitable interest in the property as evidenced by a written instrument. This homestead exemption shall also apply to a leasehold interest in a parcel of property improved with a permanent structure that is a single family residence that is occupied as a residence by a person who (i) is 65 years of age or older during the taxable year, (ii) has a household income that does not exceed the maximum income limitation, (iii) has a legal or equitable ownership interest in the property as lessee, and (iv) is liable for the payment of real property taxes on that property.

In counties of 3,000,000 or more inhabitants, the amount of the exemption for all taxable years is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount. In all other counties, the amount of the exemption is as follows: (i) through taxable year 2005 and for taxable year 2007 and thereafter, the amount of this exemption shall be the equalized assessed value of the residence in the taxable year for which application is made minus the base amount; and (ii) for taxable year 2006, the amount of the exemption is as follows:

(1) For an applicant who has a household income of $45,000 or less, the amount of the exemption is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount.

(2) For an applicant who has a household income exceeding $45,000 but not exceeding $46,250, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.8.

(3) For an applicant who has a household income exceeding $46,250 but not exceeding $47,500, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.6.

(4) For an applicant who has a household income exceeding $47,500 but not exceeding $48,750, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.4.

(5) For an applicant who has a household income exceeding $48,750 but not exceeding $50,000, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.2.

When the applicant is a surviving spouse of an applicant for a prior year for the same residence for which an exemption under this Section has been granted, the base year and base amount for that residence are the same as for the applicant for the prior year.

Each year at the time the assessment books are certified to the County Clerk, the Board of Review or Board of Appeals shall give to the County Clerk a list of the assessed values of improvements on each

parcel qualifying for this exemption that were added after the base year for this parcel and that increased the assessed value of the property.

In the case of land improved with an apartment building owned and operated as a cooperative or a building that is a life care facility that qualifies as a cooperative, the maximum reduction from the equalized assessed value of the property is limited to the sum of the reductions calculated for each unit occupied as a residence by a person or persons (i) 65 years of age or older, (ii) with a household income that does not exceed the maximum income limitation, (iii) who is liable, by contract with the owner or owners of record, for paying real property taxes on the property, and (iv) who is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. In the instance of a cooperative where a homestead exemption has been granted under this Section, the cooperative association or its management firm shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner who qualified for the exemption. Any person who willfully refuses to credit that savings to an owner who qualifies for the exemption is guilty of a Class B misdemeanor.

When a homestead exemption has been granted under this Section and an applicant then becomes a resident of a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, the exemption shall be granted in subsequent years so long as the residence (i) continues to be occupied by the qualified applicant's spouse or (ii) if remaining unoccupied, is still owned by the qualified applicant for the homestead exemption.

Beginning January 1, 1997, when an individual dies who would have qualified for an exemption under this Section, and the surviving spouse does not independently qualify for this exemption because of age, the exemption under this Section shall be granted to the surviving spouse for the taxable year preceding and the taxable year of the death, provided that, except for age, the surviving spouse meets all other qualifications for the granting of this exemption for those years.

When married persons maintain separate residences, the exemption provided for in this Section may be claimed by only one of such persons and for only one residence.

For taxable year 1994 only, in counties having less than 3,000,000 inhabitants, to receive the exemption, a person shall submit an application by February 15, 1995 to the Chief County Assessment Officer of the county in which the property is located. In counties having 3,000,000 or more inhabitants, for taxable year 1994 and all subsequent taxable years, to receive the exemption, a person may submit an application to the Chief County Assessment Officer of the county in which the property is located during such period as may be specified by the Chief County Assessment Officer. The Chief County Assessment Officer in counties of 3,000,000 or more inhabitants shall annually give notice of the application period by mail or by publication. In counties having less than 3,000,000 inhabitants, beginning with taxable year 1995 and thereafter, to receive the exemption, a person shall submit an application by July 1 of each taxable year to the Chief County Assessment Officer of the county in which the property is located. A county may, by ordinance, establish a date for submission of applications that is different than July 1. The applicant shall submit with the application an affidavit of the applicant's total household income, age, marital status (and if married the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section, and the Chief County Assessment Officer may conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption. Each application shall contain or be verified by a written declaration that it is made under the penalties of perjury. A taxpayer's signing a fraudulent application under this Act is perjury, as defined in Section 32-2 of the Criminal Code of 2012. The applications shall be clearly marked as applications for the Senior Citizens Assessment Freeze Homestead Exemption and must contain a notice that any taxpayer who receives the exemption is subject to an audit by the Chief County Assessment Officer.

Notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 30 days after the applicant regains the capability to file the application, but in no case may the filing deadline be extended beyond 3 months of the original filing deadline. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician, advanced practice nurse, or physician assistant stating the nature and extent of the condition, that, in the physician's, advanced practice nurse's, or physician assistant's opinion, the condition was so severe that it rendered the applicant incapable

of filing the application in a timely manner, and the date on which the applicant regained the capability to file the application.

Beginning January 1, 1998, notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 3 months. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician, advanced practice nurse, or physician assistant stating the nature and extent of the condition, and that, in the physician's, advanced practice nurse's, or physician assistant's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner.

In counties having less than 3,000,000 inhabitants, if an applicant was denied an exemption in taxable year 1994 and the denial occurred due to an error on the part of an assessment official, or his or her agent or employee, then beginning in taxable year 1997 the applicant's base year, for purposes of determining the amount of the exemption, shall be 1993 rather than 1994. In addition, in taxable year 1997, the applicant's exemption shall also include an amount equal to (i) the amount of any exemption denied to the applicant in taxable year 1995 as a result of using 1994, rather than 1993, as the base year, (ii) the amount of any exemption denied to the applicant in taxable year 1996 as a result of using 1994, rather than 1993, as the base year, and (iii) the amount of the exemption erroneously denied for taxable year 1994.

For purposes of this Section, a person who will be 65 years of age during the current taxable year shall be eligible to apply for the homestead exemption during that taxable year. Application shall be made during the application period in effect for the county of his or her residence.

The Chief County Assessment Officer may determine the eligibility of a life care facility that qualifies as a cooperative to receive the benefits provided by this Section by use of an affidavit, application, visual inspection, questionnaire, or other reasonable method in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The Chief County Assessment Officer may request reasonable proof that the management firm has so credited that exemption.

Except as provided in this Section, all information received by the chief county assessment officer or the Department from applications filed under this Section, or from any investigation conducted under the provisions of this Section, shall be confidential, except for official purposes or pursuant to official procedures for collection of any State or local tax or enforcement of any civil or criminal penalty or sanction imposed by this Act or by any statute or ordinance imposing a State or local tax. Any person who divulges any such information in any manner, except in accordance with a proper judicial order, is guilty of a Class A misdemeanor.

Nothing contained in this Section shall prevent the Director or chief county assessment officer from publishing or making available reasonable statistics concerning the operation of the exemption contained in this Section in which the contents of claims are grouped into aggregates in such a way that information contained in any individual claim shall not be disclosed.

Notwithstanding any other provision of law, for taxable year 2017 and thereafter, in counties of 3,000,000 or more inhabitants, the amount of the exemption shall be the greater of (i) the amount of the exemption otherwise calculated under this Section or (ii) $2,000.

(d) Each Chief County Assessment Officer shall annually publish a notice of availability of the exemption provided under this Section. The notice shall be published at least 60 days but no more than 75 days prior to the date on which the application must be submitted to the Chief County Assessment Officer of the county in which the property is located. The notice shall appear in a newspaper of general circulation in the county.

Notwithstanding Sections 6 and 8 of the State Mandates Act, no reimbursement by the State is required for the implementation of any mandate created by this Section.

(Source: P.A. 98-104, eff. 7-22-13; 99-143, eff. 7-27-15; 99-180, eff. 7-29-15; 99-581, eff. 1-1-17; 99-642, eff. 7-28-16.)

(35 ILCS 200/15-175)

Sec. 15-175. General homestead exemption.

(a) Except as provided in Sections 15-176 and 15-177, homestead property is entitled to an annual homestead exemption limited, except as described here with relation to cooperatives, to a reduction in the equalized assessed value of homestead property equal to the increase in equalized assessed value for the current assessment year above the equalized assessed value of the property for 1977, up to the maximum reduction set forth below. If however, the 1977 equalized assessed value upon which taxes were paid is

subsequently determined by local assessing officials, the Property Tax Appeal Board, or a court to have been excessive, the equalized assessed value which should have been placed on the property for 1977 shall be used to determine the amount of the exemption.

(b) Except as provided in Section 15-176, the maximum reduction before taxable year 2004 shall be $4,500 in counties with 3,000,000 or more inhabitants and $3,500 in all other counties. Except as provided in Sections 15-176 and 15-177, for taxable years 2004 through 2007, the maximum reduction shall be $5,000, for taxable year 2008, the maximum reduction is $5,500, and, for taxable years 2009 through 2011, the maximum reduction is $6,000 in all counties. For taxable years 2012 through 2016 ~~and thereafter~~, the maximum reduction is $7,000 in counties with 3,000,000 or more inhabitants and $6,000 in all other counties. For taxable years 2017 and thereafter, the maximum reduction is $10,000 in counties with 3,000,000 or more inhabitants and $6,000 in all other counties. If a county has elected to subject itself to the provisions of Section 15-176 as provided in subsection (k) of that Section, then, for the first taxable year only after the provisions of Section 15-176 no longer apply, for owners who, for the taxable year, have not been granted a senior citizens assessment freeze homestead exemption under Section 15-172 or a long-time occupant homestead exemption under Section 15-177, there shall be an additional exemption of $5,000 for owners with a household income of $30,000 or less.

(c) In counties with fewer than 3,000,000 inhabitants, if, based on the most recent assessment, the equalized assessed value of the homestead property for the current assessment year is greater than the equalized assessed value of the property for 1977, the owner of the property shall automatically receive the exemption granted under this Section in an amount equal to the increase over the 1977 assessment up to the maximum reduction set forth in this Section.

(d) If in any assessment year beginning with the 2000 assessment year, homestead property has a pro-rata valuation under Section 9-180 resulting in an increase in the assessed valuation, a reduction in equalized assessed valuation equal to the increase in equalized assessed value of the property for the year of the pro-rata valuation above the equalized assessed value of the property for 1977 shall be applied to the property on a proportionate basis for the period the property qualified as homestead property during the assessment year. The maximum proportionate homestead exemption shall not exceed the maximum homestead exemption allowed in the county under this Section divided by 365 and multiplied by the number of days the property qualified as homestead property.

(d-1) In counties with 3,000,000 or more inhabitants, where the chief county assessment officer provides a notice of discovery, if a property is not occupied by its owner as a principal residence as of January 1 of the current tax year, then the property owner shall notify the chief county assessment officer of that fact on a form prescribed by the chief county assessment officer. That notice must be received by the chief county assessment officer on or before March 1 of the collection year. If mailed, the form shall be sent by certified mail, return receipt requested. If the form is provided in person, the chief county assessment officer shall provide a date stamped copy of the notice. Failure to provide timely notice pursuant to this subsection (d-1) shall result in the exemption being treated as an erroneous exemption. Upon timely receipt of the notice for the current tax year, no exemption shall be applied to the property for the current tax year. If the exemption is not removed upon timely receipt of the notice by the chief assessment officer, then the error is considered granted as a result of a clerical error or omission on the part of the chief county assessment officer as described in subsection (h) of Section 9-275, and the property owner shall not be liable for the payment of interest and penalties due to the erroneous exemption for the current tax year for which the notice was filed after the date that notice was timely received pursuant to this subsection. Notice provided under this subsection shall not constitute a defense or amnesty for prior year erroneous exemptions.

For the purposes of this subsection (d-1):

"Collection year" means the year in which the first and second installment of the current tax year is billed.

"Current tax year" means the year prior to the collection year.

(e) The chief county assessment officer may, when considering whether to grant a leasehold exemption under this Section, require the following conditions to be met:

(1) that a notarized application for the exemption, signed by both the owner and the lessee of the property, must be submitted each year during the application period in effect for the county in which the property is located;

(2) that a copy of the lease must be filed with the chief county assessment officer by the owner of the property at the time the notarized application is submitted;

(3) that the lease must expressly state that the lessee is liable for the payment of property taxes; and

(4) that the lease must include the following language in substantially the following

form:

"Lessee shall be liable for the payment of real estate taxes with respect to the residence in accordance with the terms and conditions of Section 15-175 of the Property Tax Code (35 ILCS 200/15-175). The permanent real estate index number for the premises is (insert number), and, according to the most recent property tax bill, the current amount of real estate taxes associated with the premises is (insert amount) per year. The parties agree that the monthly rent set forth above shall be increased or decreased pro rata (effective January 1 of each calendar year) to reflect any increase or decrease in real estate taxes. Lessee shall be deemed to be satisfying Lessee's liability for the above mentioned real estate taxes with the monthly rent payments as set forth above (or increased or decreased as set forth herein).".

In addition, if there is a change in lessee, or if the lessee vacates the property, then the chief county assessment officer may require the owner of the property to notify the chief county assessment officer of that change.

This subsection (e) does not apply to leasehold interests in property owned by a municipality.

(f) "Homestead property" under this Section includes residential property that is occupied by its owner or owners as his or their principal dwelling place, or that is a leasehold interest on which a single family residence is situated, which is occupied as a residence by a person who has an ownership interest therein, legal or equitable or as a lessee, and on which the person is liable for the payment of property taxes. For land improved with an apartment building owned and operated as a cooperative or a building which is a life care facility as defined in Section 15-170 and considered to be a cooperative under Section 15-170, the maximum reduction from the equalized assessed value shall be limited to the increase in the value above the equalized assessed value of the property for 1977, up to the maximum reduction set forth above, multiplied by the number of apartments or units occupied by a person or persons who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. For purposes of this Section, the term "life care facility" has the meaning stated in Section 15-170.

"Household", as used in this Section, means the owner, the spouse of the owner, and all persons using the residence of the owner as their principal place of residence.

"Household income", as used in this Section, means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income", as used in this Section, has the same meaning as provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that "income" does not include veteran's benefits.

(g) In a cooperative where a homestead exemption has been granted, the cooperative association or its management firm shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner who qualified for the exemption. Any person who willfully refuses to so credit the savings shall be guilty of a Class B misdemeanor.

(h) Where married persons maintain and reside in separate residences qualifying as homestead property, each residence shall receive 50% of the total reduction in equalized assessed valuation provided by this Section.

(i) In all counties, the assessor or chief county assessment officer may determine the eligibility of residential property to receive the homestead exemption and the amount of the exemption by application, visual inspection, questionnaire or other reasonable methods. The determination shall be made in accordance with guidelines established by the Department, provided that the taxpayer applying for an additional general exemption under this Section shall submit to the chief county assessment officer an application with an affidavit of the applicant's total household income, age, marital status (and, if married, the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall issue guidelines establishing a method for verifying the accuracy of the affidavits filed by applicants under this paragraph. The applications shall be clearly marked as applications for the Additional General Homestead Exemption.

(i-5) This subsection (i-5) applies to counties with 3,000,000 or more inhabitants. In the event of a sale of homestead property, the homestead exemption shall remain in effect for the remainder of the assessment year of the sale. Upon receipt of a transfer declaration transmitted by the recorder pursuant to Section 31-30 of the Real Estate Transfer Tax Law for property receiving an exemption under this Section, the assessor shall mail a notice and forms to the new owner of the property providing information pertaining to the rules and applicable filing periods for applying or reapplying for homestead exemptions under this Code for which the property may be eligible. If the new owner fails to apply or reapply for a homestead exemption during the applicable filing period or the property no longer qualifies for an existing homestead exemption, the assessor shall cancel such exemption for any ensuing assessment year.

(j) In counties with fewer than 3,000,000 inhabitants, in the event of a sale of homestead property the homestead exemption shall remain in effect for the remainder of the assessment year of the sale. The assessor or chief county assessment officer may require the new owner of the property to apply for the homestead exemption for the following assessment year.

(k) Notwithstanding Sections 6 and 8 of the State Mandates Act, no reimbursement by the State is required for the implementation of any mandate created by this Section.

(Source: P.A. 98-7, eff. 4-23-13; 98-463, eff. 8-16-13; 99-143, eff. 7-27-15; 99-164, eff. 7-28-15; 99-642, eff. 7-28-16; 99-851, eff. 8-19-16.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Muñoz, **Senate Bill No. 473** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Sandoval |
| Barickman | Harris | McGuire | Schimpf |
| Bennett | Hastings | Morrison | Stadelman |
| Bertino-Tarrant | Holmes | Mulroe | Steans |
| Biss | Hunter | Muñoz | Syverson |
| Brady | Koehler | Murphy | Tracy |
| Bush | Landek | Nybo | Trotter |
| Castro | Lightford | Oberweis | Van Pelt |
| Clayborne | Link | Radogno | Weaver |
| Collins | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

Senator Hutchinson asked and obtained unanimous consent for the Journal to reflect her intention to have voted in the affirmative on **Senate Bill No. 473**.

**SENATE BILL RECALLED**

On motion of Senator Barickman, **Senate Bill No. 1029** was recalled from the order of third reading to the order of second reading.

Senator Barickman offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 1029**

AMENDMENT NO. 1. Amend Senate Bill 1029 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Natural Areas Stewardship Act.

Section 5. Legislative findings and statement of public policy.

(a) The General Assembly finds that:

(1) The Illinois Natural Areas Preservation Act defines natural areas and creates the Illinois Nature Preserves Commission to preserve the highest quality natural areas in perpetuity to sustain for the people of present and future generations the benefits of an enduring resource of natural areas, including the elements of natural diversity present.

(2) The Natural Areas Acquisition Fund, established in the Open Lands Acquisition and Development Act, shall be used by the Department of Natural Resources for the acquisition, preservation, and stewardship of natural areas, including habitats for endangered and threatened species, high quality natural communities, wetlands, and other areas with unique or unusual natural heritage qualities.

(3) The condition of dedicated and registered sites tends to degrade over time without stewardship actions. Once degraded, the public's significant investment is devalued and these natural areas provide reduced benefit to the people of present and future generations.

(4) Conservation land trusts have experience managing natural areas in order to counter the constant and increasing pressures exerted on conservation lands by ecological succession, habitat fragmentation, hydrological alteration, pollution, encroachment by invasive and exotic species, and criminal trespass.

(5) This Act and the powers afforded to the Illinois Nature Preserves Commission are desirable to guide and preserve the highest quality natural areas in perpetuity.

(b) It is the purpose of this Act to:

(1) increase stewardship by providing stewardship grants to conservation land trusts to help perform stewardship actions on eligible lands; and

(2) to enhance stewardship capacity within conservation land trusts in local areas.

Section 10. Definitions. As used in this Act:

"Administrative decision" has the same meaning ascribed to the term in Section 3-101 of the Administrative Review Law of the Code of Civil Procedure.

"Commission" means the Illinois Nature Preserves Commission.

"Conservation land trust" means an entity exempt from taxation under Section 501 (c)(3) of the federal Internal Revenue Code whose purposes include the restoration, stewardship, or conservation of land, natural areas, open space, or water areas for the preservation of native plants or animals, biotic communities, geologic formations, or archeological sites of significance.

"Department" means the Department of Natural Resources.

"Eligible land" means a site that has been dedicated by the Commission as an Illinois Nature Preserve or dedicated buffer or registered as a Land and Water Reserve, and has a current, approved management schedule.

"Illinois Natural Areas Stewardship Grant Program" means a program established under Section 20 of this Act.

"Land" means real property and ownership rights applying to it and includes the real property, structures, and improvements.

"Management schedule" means an approved document consistent with rules for Management of Nature Preserves or rules for Register of Land and Water Reserves under the Illinois Administrative Code developed for the preservation, protection, management, and use of lands.

"Stewardship actions" means actions identified in an approved management schedule which are designed to maintain, preserve, or improve the condition of native natural communities, diversity of species, and ecological processes on eligible lands, such as, but not limited to, prescribed burns, control of exotic and invasive species, fencing, and other restorative practices.

"Stewardship grant" means a grant from the Department to a conservation land trust for the purpose of providing stewardship actions under Section 20 of this Act.

Section 15. Powers, duties, and authorizations. The Department may:

(1) make stewardship grants under Section 20 of this Act from the Natural Areas Acquisition Fund to conservation land trusts to conduct stewardship actions on eligible lands;

(2) establish the total amount of funds available for annual stewardship grants, except the amount of stewardship grants made for any fiscal year may not exceed the amount set by administrative rule and shall not result in adverse impacts on the operations funded by the Natural Areas Acquisition Fund;

(3) accept and receive any funds including by agreement, grant, contract, donation, gift, or bequest from any corporation, foundation, non-governmental agency, individual, or instrumentality of any of those for the purposes of executing stewardship grants under this Act and these funds are to be deposited into the Natural Areas Acquisition Fund;

(4) develop and administer the Illinois Natural Areas Stewardship Grant Program within the Department;

(5) adopt rules to effectuate the purposes of this Act; or

(6) use funds received under this Act to pay for the cost of departmental personnel; contractual, professional or technical services; and equipment, materials, and supplies necessary or appropriate to perform the functions under this Act.

Section 20. Illinois Natural Areas Stewardship Grant Program.

(a) The Illinois Natural Areas Stewardship Grant Program is established to make grants to conservation land trusts for the purpose of promoting stewardship actions on eligible lands.

(b) A conservation land trust in good standing with the federal Internal Revenue Service may apply for a grant.

(c) An agency, organization, or entity that has taxing powers, collects taxes, or has eminent domain powers is not eligible to apply for the grant program under this Act.

(d) Eligible land held by agencies, organizations, or other entities may be the recipient of stewardship actions conducted under the grant as long as there is a properly executed agreement between the agency, organization, or entity and the conservation land trust that has been awarded the grant.

(e) The Department shall adopt administrative rules in consultation with the Commission for grant writing, the selection of grant recipients, amount of grant awards, and eligibility requirements to implement the purposes of this Act. However, the rules shall include the following requirements:

(1) amounts for match and caps for any stewardship grant under this Act; and

(2) the Commission shall be notified of any agreement between a conservation land trust and an owner of eligible lands for stewardship actions to be conducted under the grant agreement.

Section 25. Priorities. In considering applications for grants under this Act, the Department shall establish priorities that:

(1) provide the greatest benefit to implementing the needs and priorities identified in the Illinois Natural Area Plan, the Illinois Sustainable Natural Areas Vision, and the Illinois Wildlife Action Plan;

(2) provide the greatest benefit to other stewardship needs identified by the Department, in consultation with the Commission, in administrative rule; and

(3) consider, but not be limited to, the rarity and condition of resources, severity of stewardship need, timeliness of actions, proposed stewardship actions, and availability of other resources.

Section 30. Administrative Review Law. All final administrative decisions under this Act are subject to judicial review under the Administrative Review Law of the Code of Civil Procedure.

Section 35. Fund depository. All funds, assessments, fines, settlements, compensations, transfers, appropriations, penalties, and donations made under this Act shall be deposited into the Natural Areas Acquisition Fund subject to the limitations described in subsection (2) of Section 15 of this Act.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Barickman, **Senate Bill No. 1029** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Righter |
| Anderson | Fowler | McCarter | Rooney |
| Aquino | Harmon | McConchie | Rose |
| Barickman | Harris | McConnaughay | Sandoval |
| Bennett | Hastings | McGuire | Schimpf |
| Bertino-Tarrant | Holmes | Morrison | Stadelman |
| Biss | Hunter | Mulroe | Steans |
| Brady | Hutchinson | Muñoz | Syverson |
| Bush | Koehler | Murphy | Tracy |
| Castro | Landek | Nybo | Trotter |
| Clayborne | Lightford | Oberweis | Van Pelt |
| Collins | Link | Radogno | Weaver |
| Connelly | Manar | Raoul | Mr. President |
| Cullerton, T. | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

## SENATE BILL RECALLED

On motion of Senator McConchie, **Senate Bill No. 1072** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 1 was postponed in the Committee on Revenue.

Senator McConchie offered the following amendment and moved its adoption:

## AMENDMENT NO. 2 TO SENATE BILL 1072

AMENDMENT NO. _2_. Amend Senate Bill 1072 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Section 20-15 as follows:

(35 ILCS 200/20-15)

Sec. 20-15. Information on bill or separate statement. There shall be printed on each bill, or on a separate slip which shall be mailed with the bill:

(a) a statement itemizing the rate at which taxes have been extended for each of the taxing districts in the county in whose district the property is located, and in those counties utilizing electronic data processing equipment the dollar amount of tax due from the person assessed allocable to each of those taxing districts, <u>including, in the case of a taxing district that authorized an abatement of taxes for the tax year, an itemization of the total dollar amount that would have been due based on the taxes extended if the abatement had not been granted and the dollar amount of any reduction allocable to the abatement, and</u> including a separate statement of the dollar amount of tax due which is allocable to a tax levied under the Illinois Local Library Act or to any other tax levied by a municipality or township for public library purposes,

(b) a separate statement for each of the taxing districts of the dollar amount of tax due which is allocable to a tax levied under the Illinois Pension Code or to any other tax levied by a municipality or township for public pension or retirement purposes,

(c) the total tax rate,

(d) the total amount of tax due, and

(e) the amount by which the total tax and the tax allocable to each taxing district differs from the taxpayer's last prior tax bill.

The county treasurer shall ensure that only those taxing districts in which a parcel of property is located shall be listed on the bill for that property.

In all counties the statement shall also provide:

(1) the property index number or other suitable description,

(2) the assessment of the property,

(3) the statutory amount of each homestead exemption applied to the property,

(4) the assessed value of the property after application of all homestead exemptions,

(5) the equalization factors imposed by the county and by the Department, and

(6) the equalized assessment resulting from the application of the equalization factors to the basic assessment.

In all counties which do not classify property for purposes of taxation, for property on which a single family residence is situated the statement shall also include a statement to reflect the fair cash value determined for the property. In all counties which classify property for purposes of taxation in accordance with Section 4 of Article IX of the Illinois Constitution, for parcels of residential property in the lowest assessment classification the statement shall also include a statement to reflect the fair cash value determined for the property.

In all counties, the statement must include information that certain taxpayers may be eligible for tax exemptions, abatements, and other assistance programs and that, for more information, taxpayers should consult with the office of their township or county assessor and with the Illinois Department of Revenue.

In all counties, the statement shall include information that certain taxpayers may be eligible for the Senior Citizens and Persons with Disabilities Property Tax Relief Act and that applications are available from the Illinois Department on Aging.

In counties which use the estimated or accelerated billing methods, these statements shall only be provided with the final installment of taxes due. The provisions of this Section create a mandatory statutory duty. They are not merely directory or discretionary. The failure or neglect of the collector to mail the bill, or the failure of the taxpayer to receive the bill, shall not affect the validity of any tax, or the liability for the payment of any tax.

(Source: P.A. 98-93, eff. 7-16-13; 99-143, eff. 7-27-15.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator McConchie, **Senate Bill No. 1072** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Rooney |
| Anderson | Fowler | McCarter | Rose |
| Aquino | Harmon | McConchie | Sandoval |
| Barickman | Harris | McConnaughay | Schimpf |
| Bennett | Hastings | Morrison | Stadelman |
| Bertino-Tarrant | Holmes | Mulroe | Steans |
| Biss | Hunter | Muñoz | Syverson |
| Brady | Hutchinson | Murphy | Tracy |
| Bush | Koehler | Nybo | Trotter |

| | | | |
|---|---|---|---|
| Castro | Landek | Oberweis | Van Pelt |
| Clayborne | Lightford | Radogno | Weaver |
| Collins | Link | Raoul | Mr. President |
| Connelly | Manar | Rezin | |
| Cullerton, T. | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Syverson, **Senate Bill No. 1224** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Righter |
| Anderson | Fowler | McCarter | Rooney |
| Aquino | Harmon | McConchie | Rose |
| Barickman | Harris | McConnaughay | Sandoval |
| Bennett | Hastings | McGuire | Schimpf |
| Bertino-Tarrant | Holmes | Morrison | Stadelman |
| Biss | Hunter | Mulroe | Steans |
| Brady | Hutchinson | Muñoz | Syverson |
| Bush | Koehler | Murphy | Tracy |
| Castro | Landek | Nybo | Trotter |
| Clayborne | Lightford | Oberweis | Van Pelt |
| Collins | Link | Radogno | Weaver |
| Connelly | Manar | Raoul | Mr. President |
| Cullerton, T. | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Syverson, **Senate Bill No. 1225** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Rooney |
| Anderson | Fowler | McCarter | Rose |
| Aquino | Harmon | McConchie | Sandoval |
| Barickman | Harris | McConnaughay | Schimpf |
| Bennett | Hastings | McGuire | Stadelman |
| Bertino-Tarrant | Holmes | Morrison | Steans |
| Biss | Hunter | Mulroe | Syverson |
| Brady | Hutchinson | Murphy | Tracy |

| | | | |
|---|---|---|---|
| Bush | Koehler | Nybo | Trotter |
| Castro | Landek | Oberweis | Van Pelt |
| Clayborne | Lightford | Radogno | Weaver |
| Collins | Link | Raoul | Mr. President |
| Connelly | Manar | Rezin | |
| Cullerton, T. | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Syverson, **Senate Bill No. 1226** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Righter |
| Anderson | Fowler | McCarter | Rooney |
| Aquino | Harmon | McConchie | Rose |
| Barickman | Harris | McConnaughay | Sandoval |
| Bennett | Hastings | McGuire | Schimpf |
| Bertino-Tarrant | Holmes | Morrison | Stadelman |
| Biss | Hunter | Mulroe | Steans |
| Brady | Hutchinson | Muñoz | Syverson |
| Bush | Koehler | Murphy | Tracy |
| Castro | Landek | Nybo | Trotter |
| Clayborne | Lightford | Oberweis | Van Pelt |
| Collins | Link | Radogno | Weaver |
| Connelly | Manar | Raoul | Mr. President |
| Cullerton, T. | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Harris, **Senate Bill No. 1251** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Righter |
| Anderson | Fowler | McCarter | Rooney |
| Aquino | Harmon | McConchie | Rose |
| Barickman | Harris | McConnaughay | Sandoval |
| Bennett | Hastings | McGuire | Schimpf |
| Bertino-Tarrant | Holmes | Morrison | Stadelman |
| Biss | Hunter | Mulroe | Steans |

| | | | |
|---|---|---|---|
| Brady | Hutchinson | Muñoz | Syverson |
| Bush | Koehler | Murphy | Tracy |
| Castro | Landek | Nybo | Trotter |
| Clayborne | Lightford | Oberweis | Van Pelt |
| Collins | Link | Radogno | Weaver |
| Connelly | Manar | Raoul | Mr. President |
| Cullerton, T. | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Harris, **Senate Bill No. 1252** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Sandoval |
| Barickman | Harris | McGuire | Schimpf |
| Bennett | Hastings | Morrison | Stadelman |
| Bertino-Tarrant | Holmes | Mulroe | Steans |
| Biss | Hunter | Muñoz | Syverson |
| Brady | Hutchinson | Murphy | Tracy |
| Bush | Koehler | Nybo | Trotter |
| Castro | Lightford | Oberweis | Van Pelt |
| Clayborne | Link | Radogno | Weaver |
| Collins | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Barickman, **Senate Bill No. 1276** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Righter |
| Anderson | Fowler | McCarter | Rooney |
| Aquino | Harmon | McConchie | Rose |
| Barickman | Harris | McConnaughay | Sandoval |
| Bennett | Hastings | McGuire | Schimpf |
| Bertino-Tarrant | Holmes | Morrison | Stadelman |

| | | | |
|---|---|---|---|
| Biss | Hunter | Mulroe | Steans |
| Brady | Hutchinson | Muñoz | Syverson |
| Bush | Koehler | Murphy | Tracy |
| Castro | Landek | Nybo | Trotter |
| Clayborne | Lightford | Oberweis | Van Pelt |
| Collins | Link | Radogno | Weaver |
| Connelly | Manar | Raoul | Mr. President |
| Cullerton, T. | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

## SENATE BILL RECALLED

On motion of Senator Mulroe, **Senate Bill No. 1286** was recalled from the order of third reading to the order of second reading.

Senator Mulroe offered the following amendment and moved its adoption:

## AMENDMENT NO. 1 TO SENATE BILL 1286

AMENDMENT NO. 1. Amend Senate Bill 1286 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Insurance Code is amended by changing Sections 121-2.08, 123C-1, 123C-2, 123C-3, 123C-9, 123C-11, 123C-12, 123C-13, 123C-16, 123C-17, 123C-19, and 445 and by adding Sections 123C-23, 123C-24, 123C-25, 123C-26, 123C-27, and 123C-28 as follows:

(215 ILCS 5/121-2.08) (from Ch. 73, par. 733-2.08)

Sec. 121-2.08. Transactions in this State involving contracts of insurance independently procured directly from an unauthorized insurer by industrial insureds.

(a) As used in this Section:

"Exempt commercial purchaser" means exempt commercial purchaser as the term is defined in subsection (1) of Section 445 of this Code.

"Home state" means home state as the term is defined in subsection (1) of Section 445 of this Code.

"Industrial insured" means an insured:

(i) that procures the insurance of any risk or risks of the kinds specified in Classes 2 and 3 of Section 4 of this Code by use of the services of a full-time employee who is a qualified risk manager or the services of a regularly and continuously retained consultant who is a qualified risk manager;

(ii) that procures the insurance directly from an unauthorized insurer without the services of an intermediary insurance producer; and

(iii) that is an exempt commercial purchaser whose home state is Illinois.

"Insurance producer" means insurance producer as the term is defined in Section 500-10 of this Code.

"Qualified risk manager" means qualified risk manager as the term is defined in subsection (1) of Section 445 of this Code.

"Unauthorized insurer" means unauthorized insurer as the term is defined in subsection (1) of Section 445 of this Code.

(b) For contracts of insurance effective January 1, 2015 or later, within 90 days after the effective date of each contract of insurance issued under this Section, the insured shall file a report with the Director by submitting the report to the Surplus Line Association of Illinois in writing or in a computer readable format and provide information as designated by the Surplus Line Association of Illinois. The information in the report shall be substantially similar to that required for surplus line submissions as described in subsection (5) of Section 445 of this Code. Where applicable, the report shall satisfy, with respect to the subject insurance, the reporting requirement of Section 12 of the Fire Investigation Act.

(c) For contracts of insurance effective January 1, 2015 or later, within 30 days after filing the report, the insured shall pay to the Director for the use and benefit of the State a sum equal to the gross premium of the contract of insurance multiplied by the surplus line tax rate, as described in paragraph (3) of subsection (a) of Section 445 of this Code, and shall pay the fire marshal tax that would otherwise be due

annually in March for insurance subject to tax under Section 12 of the Fire Investigation Act. For contracts of insurance effective January 1, 2015 or later, within 30 days after filing the report, the insured shall pay to the Surplus Line Association of Illinois a countersigning fee that shall be assessed at the same rate charged to members pursuant to subsection (4) of Section 445.1 of this Code.

(d) For contracts of insurance effective January 1, 2015 or later, the insured shall withhold the amount of the taxes and countersignature fee from the amount of premium charged by and otherwise payable to the insurer for the insurance. If the insured fails to withhold the tax and countersignature fee from the premium, then the insured shall be liable for the amounts thereof and shall pay the amounts as prescribed in subsection (c) of this Section.

(e) Contracts of insurance with an industrial insured that qualifies as a Safety-Net Hospital are not subject to subsections (b) through (d) of this Section.

(Source: P.A. 98-978, eff. 1-1-15.)

(215 ILCS 5/123C-1) (from Ch. 73, par. 735C-1)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-1. Definitions. As used in this Article:

A. "Affiliate" or "Affiliated company" includes a parent entity that controls a captive insurance company and:

(1) is an affiliate of another entity if the entity directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the other entity.

(2) is an affiliate of another entity if the entity is an affiliate of and is controlled by the other entity directly or indirectly through one or more intermediaries.

A subsidiary or holding company of an entity is an affiliate of that entity. ~~shall have the meaning set forth in subsection (a) of Section 131.1 (and, for purposes of such definition, the definitions of "control" and "person", as set forth in subsections (b) and (e) of Section 131.1, respectively, shall be applicable).~~

B. "Association" means any entity meeting the requirements set forth in either of the following paragraphs (1), (2) or (3):

(1) any organized association of individuals, legal representatives, corporations (whether for profit or not for profit), partnerships, trusts, associations, units of government or other organizations, or any combination of the foregoing, that has been in continuous existence for at least one year, the member organizations of which collectively:

(a) own, control, or hold with power to vote (directly or indirectly) all of the outstanding voting securities of an association captive insurance company incorporated as a stock insurer; or

(b) have complete voting control (directly or indirectly) over an association captive insurance company organized as a mutual insurer;

(2) any organized association of individuals, legal representatives, corporations (whether for profit or not for profit), partnerships, trusts, associations, units of government or other organizations, or any combination of the foregoing:

(a) whose member organizations are engaged in businesses or activities similar or related with respect to the liability of which such members are exposed by virtue of any related, similar, or common business, trade, product, services, premises, or operations; and

(b) whose member organizations:

(i) directly or indirectly own or control, and hold with power to vote, at least 80% of all of the outstanding voting securities of an association captive insurance company incorporated as a stock insurer; or

(ii) directly or indirectly have at least 80% of the voting control over an association captive insurance company organized as a mutual insurer; or

(3) any risk retention group, as defined in subsection (11) of Section 123B-2, domiciled in this State and organized under this Article; however, beginning 6 months after the effective date of this amendatory Act of 1995, a risk retention group shall no longer qualify as an association under this Article.

Provided, however, that with respect to each of the associations described in paragraphs (1), (2) and (3) above, no member organization may (i) own, control, or hold with power to vote in excess of 25% of the voting securities of an association captive insurance company incorporated as a stock insurer, or (ii) have more than 25% of the voting control of an association captive insurance company organized as a mutual insurer.

C. "Association captive insurance company" means any company that insures risks of (i) the member organizations of an association, and (ii) their affiliated companies.

D. "Captive insurance company" means any pure captive insurance company, association captive insurance company or industrial insured captive insurance company organized under the provisions of this Article.

E. "Director" means the Director of the Department of Insurance.

F. "Industrial insured" means an insured which (together with its affiliates) at the time of its initial procurement of insurance from an industrial insured captive insurance company:

(1) has available to it advice with respect to the purchase of insurance through the use of the services of a full-time employee acting as an insurance manager or buyer or the services of a regularly and continuously retained qualified insurance consultant; and

(2) pays aggregate annual premiums in excess of $100,000 for insurance on all risks except for life, accident and health; and

(3) either (i) has at least 25 full-time employees, or (ii) has gross assets in excess of $3,000,000, or (iii) has annual gross revenues in excess of $5,000,000.

G. "Industrial insured captive insurance company" means any company that insures risks of industrial insureds that are members of the industrial insured group, and their affiliated companies.

H. "Industrial insured group" means any group of industrial insureds that collectively:

(1) directly or indirectly (including ownership or control through a company which is wholly owned by such group of industrial insureds) own or control, and hold with power to vote, all of the outstanding voting securities of an industrial insured captive insurance company incorporated as a stock insurer; or

(2) directly or indirectly (including control through a company which is wholly owned by such group of industrial insureds) have complete voting control over an industrial insured captive insurance company organized as a mutual insurer; provided, however, that no member organization may (i) own, control, or hold with power to vote in excess of 25% of the voting securities of an industrial insured captive insurance company incorporated as a stock insurer, or (ii) have more than 25% of the voting control of an industrial insured captive insurance company organized as a mutual insurer.

I. "Member organization" means any individual, legal representative, corporation (whether for profit or not for profit), partnership, association, unit of government, trust or other organization that belongs to an association or an industrial insured group.

J. "Parent" means a corporation, partnership, individual or other legal entity that directly or indirectly owns, controls, or holds with power to vote more than 50% of the outstanding voting securities of a company.

K. "Personal risk liability" means liability to other persons for (i) damage because of injury to any person, (ii) damage to property, or (iii) other loss or damage, in each case resulting from any personal, familial, or household responsibilities or activities, but does not include legal liability for damages (including costs of defense, legal costs and fees, and other claims expenses) because of injuries to other persons, damage to their property, or other damage or loss to such other persons resulting from or arising out of:

(i) any business (whether for profit or not for profit), trade, product, services (including professional services), premises, or operations; or

(ii) any activity of any state or local government, or any agency or political subdivision thereof.

L. "Pure captive insurance company" means any company that insures only risks of its parent or affiliated companies or both.

M. "Unit of government" includes any state, regional or local government, or any agency or political subdivision thereof, or any district, authority, public educational institution or school district, public corporation or other unit of government in this State or any similar unit of government in any other state.

N. "Control" means the power to direct, or cause the direction of, the management and policies of an entity, other than the power that results from an official position with or corporate office held in the entity. The power may be possessed directly or indirectly by any means, including through the ownership of voting securities or by contract, other than a commercial contract for goods or non-management services.

O. "Qualified independent actuary" means a person that is either:

(1) a member in good standing with the Casualty Actuarial Society; or

(2) a member in good standing with the American Academy of Actuaries who has been approved as qualified for signing casualty loss reserve opinions by the Casualty Practice Council of the American Academy of Actuaries.

P. "Controlled unaffiliated business" means an entity:

(1) that is not an affiliate;

(2) that has an existing contractual relationship with an affiliate under which the affiliate bears a potential financial loss; and

(3) whose risks are managed by a captive insurance company under Section 123C-24 of this Code.

Q. "Operational risk" means any potential financial loss of an affiliate, except for a loss arising from an insurance policy issued by a captive or insurance affiliate.

R. "Captive management company" means an entity providing administrative services to a captive insurance company.

S. "Safety-Net Hospital" means an Illinois hospital that qualifies as a Safety-Net Hospital under Section 5-5e.1 of the Illinois Public Aid Code.

(Source: P.A. 89-97, eff. 7-7-95; 90-794, eff. 8-14-98.)

(215 ILCS 5/123C-2) (from Ch. 73, par. 735C-2)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-2. Authority of captives; restrictions.

A. Except as provided by this Section, a captive insurance company may write any type of insurance, but may only insure the operational risks of the company's affiliates and risks of a controlled unaffiliated business. ~~Any captive insurance company, when permitted by its articles of association or charter, may apply to the Director for a certificate of authority to transact any and all insurance in classes 2 and 3 of Section 4 of this Code, except that:~~

~~(1) no pure captive insurance company may insure any risks other than those of its parent and affiliated companies;~~

~~(2) no association captive insurance company may insure any risks other than those of the member organizations of its association, and their affiliated companies;~~

~~(3) no industrial insured captive insurance company may insure any risks other than those of the members of the industrial insured group, and their affiliated companies; and~~

~~(4) no captive insurance company may provide:~~

~~(i) personal motor vehicle coverage or homeowner's insurance coverage or any component thereof, or~~

~~(ii) personal coverage for personal risk liability, or~~

~~(iii) coverage for an employer's liability to its employees other than legal liability under the federal Employers' Liability Act (45 U.S.C. 51 et seq.), provided, however, this exclusion does not preclude reinsurance of such employer's liability, or~~

~~(iv) accident and health insurance as provided in clause (a) of Class 2 of Section 4, provided, however, this exclusion does not preclude stop-loss insurance or reinsurance of a single employer self-funded employee disability benefit plan or an employee welfare plan as described in 29 U.S.C. 1001 et seq.~~

A-5. A captive insurance company may not issue:

(1) life insurance;

(2) annuities;

(3) accident and health insurance for the company's parent and affiliates, except to insure employee benefits that are subject to the federal Employee Retirement Income Security Act of 1974;

(4) title insurance;

(5) mortgage guaranty insurance;

(6) financial guaranty insurance;

(7) residential property insurance;

(8) personal automobile insurance; or

(9) workers' compensation insurance.

A-10. A captive insurance company may not issue a type of insurance, including automobile liability insurance, that is required under the laws of this State or a political subdivision of this State as a prerequisite for obtaining a license or permit if the law requires that the liability insurance be issued by an insurer authorized to engage in the business of insurance in this State.

A-15. A captive insurance company is authorized to issue a contractual reimbursement policy to:

(1) an affiliated certified self-insurer authorized under the Workers' Compensation Act or a similar affiliated entity expressly authorized by analogous laws of another state; or

(2) an affiliate that is insured by a workers' compensation insurance policy with a negotiated deductible endorsement.

B. No captive insurance company shall do any insurance business in this State unless:

(1) it first obtains from the Director a certificate of authority authorizing it to do such insurance business in this State; and

(2) it appoints a resident registered agent to accept service of process and to

otherwise act on its behalf in this State.

C. No captive insurance company shall adopt a name that is the same as, deceptively similar to, or likely to be confused with or mistaken for, any other existing business name registered in this State.

D. Each captive insurance company, or the organizations providing the principal administrative or management services to such captive insurance company, shall maintain a place of business in this State. (Source: P.A. 91-357, eff. 7-29-99.)

(215 ILCS 5/123C-3) (from Ch. 73, par. 735C-3)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-3. Minimum capital and surplus.

A. The Department may not issue a certificate of authority to a captive insurance company unless the company possesses and maintains unencumbered capital and surplus in an amount determined by the Director after considering:

(1) the amount of premium written by the captive insurance company;

(2) the characteristics of the assets held by the captive insurance company;

(3) the terms of reinsurance arrangements entered into by the captive insurance company;

(4) the type of business covered in policies issued by the captive insurance company;

(5) the underwriting practices and procedures of the captive insurance company; and

(6) any other criteria that has an impact on the operations of the captive insurance company determined to be significant by the Director. ~~No pure captive insurance company, association captive insurance company incorporated as a stock insurer, or industrial insured captive insurance company incorporated as a stock insurer shall be issued a certificate of authority unless it shall possess and thereafter maintain unimpaired paid-in capital of not less than the minimum capital requirement applicable to the class or classes and clause or clauses of Section 4 describing the kind or kinds of insurance which such captive insurance company is authorized to write, as set forth in subsection (1) of Section 13.~~

B. The amount of capital and surplus determined by the Director under subsection A of this Section may not be less than $250,000 for a pure captive insurance company, $500,000 for an industrial insured captive insurance company, and $750,000 for an association captive insurance company. ~~Such capital may be in the form of (1) all cash or cash equivalents; or (2) cash or cash equivalents representing at least 20% of the requisite capital, together with an irrevocable letter of credit for the remainder of the requisite capital, which letter of credit must (a) be approved by the Director, (b) be issued or unconditionally confirmed by (i) a bank chartered by this State, (ii) a member bank of the Federal Reserve System or (iii) a United States office of a foreign banking corporation that is: (A) licensed under the laws of the United States or any state thereof, (B) regulated, supervised and examined by United States federal or state authorities having regulatory authority over banks and trust companies, and (C) designated by the Securities Valuation Office of the National Association of Insurance Commissioners as meeting its credit standards for issuing or confirming letters of credit or, in the event that the Director elects to establish credit standards by rule, in compliance with rules promulgated by the Director establishing reasonable standards of safety and soundness substantially equivalent to those of the Securities Valuation Office of the National Association of Insurance Commissioners, and (c) satisfy the requirements of Section 123C-19; or (3) cash or cash equivalents representing at least 33% of the requisite capital, together with irrevocable contractual obligations of the member organizations of the captive insurance company for the payment of the remainder of the requisite capital in no more than 3 equal installments in each of the 3 calendar years following the date of the grant of the certificate of authority to the captive insurance company, which irrevocable contractual obligations shall by contract be subject to acceleration (in a manner acceptable to the Director) by the Company at the direction of the Director and shall be secured by a letter of credit or other form of guarantee or security acceptable to the Director.~~

C. The capital and surplus required by subsection A of this Section must be in the form of:

(1) United States currency;

(2) an irrevocable letter of credit, in a form approved by the Director and not secured by a guarantee from an affiliate, naming the Director as beneficiary for the security of the captive insurance company's policyholders and issued by a bank approved by the Director;

(3) bonds of this State; or

(4) bonds or other evidences of indebtedness of the United States, the principal and interest of which are guaranteed by the United States.

(Source: P.A. 86-632.)

(215 ILCS 5/123C-9) (from Ch. 73, par. 735C-9)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-9. Reports, statements and mandatory reserves.

A. Captive insurance companies shall not be required to make any annual report except as provided in this Article.

B. (1) On or before ~~Prior to~~ March 1 of each year, each captive insurance company shall submit to the Director a report of its financial condition, verified by oath of 2 of its executive officers and including (i) a balance sheet reporting assets, liabilities, capital and surplus, (ii) a statement of gain or loss from operations, (iii) a statement of changes in financial position, (iv) a statement of changes in capital and surplus, ~~and~~ (v) in the case of industrial insured captive insurance companies, an analysis of loss reserve development, information on risks ceded and assumed under reinsurance agreements, on forms prescribed by the Director, and a schedule of its invested assets on forms prescribed by the Director , and (vi) a statement of actuarial opinion by a qualified independent actuary concerning the reasonableness of the captive insurance company's loss and loss adjustment expense reserves in such form and of such content as specified in the National Association of Insurance Commissioners Annual Statement Instructions: Property and Casualty.

(2) In addition, prior to March 1 of each year, each association captive insurance company shall submit to the Director such additional data or information, which the Director may from time to time require, on a form specified by the Director.

(3) On or before June 1 of each year, each captive insurance company shall submit to the Director a report of its financial condition at last year's end with an independent certified public accountant's opinion of the company's financial condition. ~~Prior to June 1 of each year, each association and industrial insured captive insurance company shall submit to the Director a report of its financial condition, certified by a recognized firm of independent public accountants acceptable to the Director and including the items referred to in items (i), (ii), (iii) and (iv) of paragraph (1) of this subsection B.~~

(4) Unless the Director permits otherwise, the reports of financial condition referred to in paragraphs (1) and (3) of this subsection B are to be prepared in accordance with the Accounting Practices and Procedures Manual adopted by the National Association of Insurance Commissioners. The Director shall have authority to extend the time for filing any report or statement by any company for reasons which he considers good and sufficient.

C. In addition, any captive insurance company may be required by the Director, when he considers such action to be necessary and appropriate for the protection of policyholders, creditors, shareholders or claimants, to file, within 60 days after mailing to the company of a notice that such is required, a supplemental summary statement as of the last day of any calendar month occurring during the 100 days next preceding the mailing of such notice designated by him on forms prescribed and furnished by the Director. No company shall be required to file more than 4 supplemental summary statements during any consecutive 12 month period.

D. Every captive insurance company shall, at all times, maintain reserves in an amount estimated in the aggregate to provide for the payment of all losses and claims incurred, whether reported or unreported, which are unpaid and for which such company may be liable, and to provide for the expenses of adjustment or settlement of such losses and claims. The aggregate reserves shall be reduced by reinsurance ceded which meets the requirements of Section 123C-13. For the purpose of such reserves, the company shall keep a complete and itemized record showing all losses and claims on which it has received notice, including all notices received by it of the occurrence of any event which may result in a loss. Such record shall be opened in chronological receipt order, with each notice of loss or claim identified by appropriate number or coding.

E. Every captive insurance company shall maintain an unearned premium reserve on all policies in force which reserve shall be charged as a liability. The portions of the gross premiums in force, after deducting reinsurance qualifying under Section 123C-13, which shall be held as a premium reserve, shall never be less in the aggregate than the company's actual liability to all its insureds for the return of gross unearned premiums. In the calculation of the company's actual liability to all its insureds, the reserve shall be computed pursuant to the method commonly referred to as the monthly pro rata method; provided, however, that the Director may require that such reserve shall be equal to the unearned portions of the gross premiums in force, after deducting reinsurance qualifying under Section 123C-13, in which case the reserve shall be computed on each respective risk from the date of the issuance of the policy.

E-5. A captive insurance company may make a written application to the Director for filing its annual report required under this Section on a fiscal year's end. If an alternative filing date is granted, the company shall file:

(1) the annual report, including a statement of actuarial opinion by a qualified independent actuary concerning the reasonableness of the captive insurance company's loss and loss adjustment expense reserves in such form and of such content as specified in the National Association of Insurance

Commissioners Annual Statement Instructions: Property and Casualty, no later than the 60th day after the date of the company's fiscal year's end;

(2) the report of its financial condition at last year's end with an independent certified public accountant's opinion of the company's financial condition; and

(3) its balance sheet, income statement, and statement of cash flows, verified by 2 of its executive officers, before March 1 of each year to provide sufficient detail to support a premium tax return.

F. The reports required by this Section shall be prepared and filed on a calendar year basis.

G. Notwithstanding the requirements of this Section, a captive insurance company may prepare and issue financial statements prepared in accordance with generally accepted accounting principles.

(Source: P.A. 85-131; 86-1155; 86-1156.)

(215 ILCS 5/123C-11) (from Ch. 73, par. 735C-11)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-11. Grounds and procedures for suspension or revocation of certificate of authority.

A. The certificate of authority of a captive insurance company to do an insurance business in this State may be suspended or revoked by the Director for any of the following reasons:

(1) insolvency or impairment of required capital or surplus to policy holders;

(2) failure to meet the requirements of Sections 123C-3 or 123C-4;

(3) refusal or failure to submit an annual report, as required by Section 123C-9, or any other report or statement required by law or by lawful order of the Director;

(4) failure to comply with the provisions of its own charter or bylaws (or, in the case of an industrial insured captive, with the provisions of the investment policy set forth in its plan of operation as approved from time to time by the Director);

(5) failure to submit to examination or any legal obligation relative thereto, as required by Section 123C-10;

(6) refusal or failure to pay expenses, ~~and~~ charges , and taxes as required by Sections 408, 409, 123C-10, and 123C-17;

(7) use of methods that, although not otherwise specifically prohibited by law, nevertheless render its operation detrimental or its condition unsound with respect to the public or to its policyholders; or

(8) failure otherwise to comply with the laws of this State.

B. If the Director finds, upon examination, hearing, or other evidence, that any captive insurance company has committed any of the acts specified in subsection A, he may suspend or revoke such certificate of authority if he deems it in the best interest of the public and the policyholders of such captive insurance company, notwithstanding any other provision of this Article.

C. The provisions of Articles XIII and XIII 1/2 shall apply to and govern the conservation, rehabilitation, liquidation and dissolution of captive insurance companies.

(Source: P.A. 85-131.)

(215 ILCS 5/123C-12) (from Ch. 73, par. 735C-12)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-12. Legal investments.

A. The provisions of Article VIII and of Sections 131.2 and 131.3 shall apply to association captive insurance companies.

B. No pure captive insurance company or industrial insured captive insurance company shall be subject to any restrictions on allowable investments whatever, including those limitations contained in Articles VIII and VIII 1/2; provided, however, that the Director may prohibit or limit any investment or type of investment that threatens the solvency or liquidity of any such company; and provided further that an industrial insured captive insurance company must adhere to the investment policy set forth in its plan of operation as approved from time to time by the Director.

C. A captive insurance company may make loans to its affiliates with the prior approval of the Director. Each loan must be evidenced by a note approved by the Director. A captive insurance company may not make a loan of the minimum capital and surplus funds required by this Article.

D. The Director may prohibit or limit an investment that threatens the solvency or liquidity of a captive insurance company.

(Source: P.A. 85-131.)

(215 ILCS 5/123C-13) (from Ch. 73, par. 735C-13)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-13. Reinsurance.

A. Any captive insurance company may provide reinsurance on risks ceded by any other insurer; provided, however, that the risks so assumed are the same as the captive insurance company could legally insure on a direct basis.

The provisions of Section 174.1 shall not apply to any captive insurance company providing reinsurance.

B. Subject to the provisions of Article XI, any captive insurance company may cede, and may take credit for in the establishment of reserves, all or any part of its risks. Furthermore, in addition to Section 173.1, any pure or industrial insured captive insurance company may take credit, as either an asset or a deduction from liability, for reinsurance so ceded to the extent:

(1) The reinsurer satisfies all of the following (a) through (g):

(a) the principal business of the reinsurer (other than investments in subsidiaries and other investment activities) is to accept reinsurance from captive insurance companies organized under Article VIIC, of which the company accepting the reinsurance directly or indirectly owns, controls, or holds with power to vote more than 80% of the outstanding voting securities if organized as a stock company or more than 80% of the voting control if organized as a mutual company and to provide insurance related services;

(b) is licensed to transact insurance or reinsurance in its jurisdiction of domicile;

(c) submits to this State's authority to examine its books and records and agrees to pay the cost thereof;

(d) files annually with the Director a copy of its most recent audited financial statements;

(e) maintains a surplus as regards policyholders in an amount that is not less than $20,000,000;

(f) files with the Department the following:

(i) evidence of its submission to the jurisdiction of any court of competent jurisdiction in any state of the United States and its agreement to comply with all requirements necessary to give the court jurisdiction and to abide by the final decision of the court or of any appellate court in the event of an appeal; and

(ii) an instrument designating the Director or a designated attorney as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the ceding company;

(g) has not been the subject of an order of the Director entered after notice and hearing prohibiting the reinsurer from utilizing this paragraph (1); or

(2) the taking of credit by the captive insurance company has otherwise received the prior approval of the Director.

C. A captive insurance company shall provide notice to the Director of a reinsurance agreement to which the company becomes a party not later than the 30th day after the date of the execution of the agreement.

D. A captive insurance company shall provide notice of a termination of a previously filed reinsurance agreement to the Director not later than the 30th day after the date of termination.

E. Notwithstanding Section 123C-15 of this Code, a captive insurance company, with the Director's approval, may accept risks from and cede risks to or take credit for reserves on risks ceded to:

(1) a captive reinsurance pool composed only of other captive insurance companies holding a certificate of authority under this Article or a similar law of another jurisdiction; or

(2) an affiliated captive insurance company holding a certificate of authority under this Article or a similar law of another jurisdiction.

(Source: P.A. 87-108.)

(215 ILCS 5/123C-16) (from Ch. 73, par. 735C-16)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-16. Tax.

A. Every captive insurance company organized under the provisions of this Article and doing business in this State shall, for the privilege of doing business in this State, pay to the Director for the State treasury the State tax imposed under Section 409 to the same extent and in the same manner as a domestic insurance company using a tax form prescribed by the Director on or before March 15 of each year.

B. Domestic captive insurance companies shall be insurance companies subject to the rules now provided for such companies under the Illinois Income Tax Act.

C. A domestic captive insurance company that has engaged one or more administrative or management service organizations in order to comply with subsection D of Section 123C-2 shall be deemed to meet the requirements of Section 409(4)(a) through (d) provided that the company and such organizations when viewed collectively as a group:

(a) maintain a place of business in this State; and

(b) maintain in this State personnel knowledgeable of and responsible for the company's operations, books, records, administration and annual statement; and

(c) conduct in this State substantially all of the company's underwriting, policy issuing and servicing operations relating to the company's policyholders and certificate holders; and

(d) comply with the provisions of Section 133(2) with respect to such domestic captive insurance company's books, records, documents, accounts, vouchers and securities.

D. Annually, 15% of the premium tax revenues collected pursuant to this Section shall be transferred to the Department for the regulation of captive insurance companies under this Article.

(Source: P.A. 86-632; 86-634.)

(215 ILCS 5/123C-17) (from Ch. 73, par. 735C-17)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-17. Fees.

A. The Director shall charge, collect, and give proper acquittances for the payment of the following fees and charges with respect to a captive insurance company:

1. For filing all documents submitted for the incorporation or organization or certification of a captive insurance company, $2,000 ~~$7,000~~.

2. For filing requests for approval of changes in the elements of a plan of operations, $200.

B. Except as otherwise provided in subsection A of this Section and in Section 123C-10, the provisions of Section 408 shall apply to captive insurance companies.

C. Any funds collected from captive insurance companies pursuant to this Section shall be treated in the manner provided in subsection (11) of Section 408.

(Source: P.A. 93-32, eff. 7-1-03.)

(215 ILCS 5/123C-19) (from Ch. 73, par. 735C-19)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-19. Letters of credit.

A. Any letter of credit used to meet the requirements set forth in Sections 123C-3 and 123C-4:

(1) (blank); ~~may not be used to provide more than 80% of the amount required in Section 123C-3 and may not be used to provide more than 80% of the amount required in Section 123C-4;~~

(2) may not be allowed to expire without the prior written approval of the Director and shall provide for 30 days' advance written notice to the Director of the proposed expiration of the letter of credit; and

(3) must be provided pursuant to arrangements, acceptable to the Director, wherein all funds obtained by the company under the letter of credit are free of claims of any party which may arise on account of the company's resort to the letter of credit.

B. If letters of credit are used to provide surplus in excess of the amounts required in Section 123C-4:

(1) the aggregate amount of all such letters of credit shall not exceed the policyholder surplus of the company;

(2) without the prior written approval of the Director, no such letter of credit may be allowed to expire, in any period of 12 consecutive months ending on the date of such expiration, in an amount greater than the greater of (a) 10% of the company's surplus as regards policyholders as of the 31st day of December next preceding, or (b) the net income of the company for the 12 month period ending the 31st ~~3lst~~ day of December next preceding. For purposes of this Section, net income includes net realized capital gains in an amount not to exceed 20% of net unrealized capital gains; and

(3) each such letter of credit shall provide for 30 days' advance written notice to the Director of the proposed expiration of the letter of credit.

C. (Blank). ~~The Director may require any company to draw upon its letters of credit, in amounts determined by the Director, if the Director determines that such action is necessary for the protection of the interests of policyholders.~~

D. (Blank). ~~Any company including amounts supported by letters of credit in its capital or surplus shall, prior to the time any person becomes a policyholder, notify such person of the amounts supported by letters of credit and included in the company's capital or surplus.~~

(Source: P.A. 85-131.)

(215 ILCS 5/123C-23 new)

Sec. 123C-23. Approval of captive reinsurance pools. Before determining whether to approve a captive insurance company's participation in a captive reinsurance pool under Section 123C-13 of this Code, the Director may:

(1) require the captive insurance company provide to the Director evidence that the captive reinsurance pool:

(a) is composed only of other captive insurance companies holding a certificate of authority under this Article or a similar law of another jurisdiction; and

(b) will be able to meet the pool's financial obligations; and

(2) impose any other limitation or requirement on the captive insurance company that is necessary and proper to provide adequate security for the captive insurance company.

(215 ILCS 5/123C-24 new)

Sec. 123C-24. Standards for risk management of controlled unaffiliated business. The Director may adopt rules establishing standards to ensure that an affiliated company is able to exercise control of the risk management function of any controlled unaffiliated business to be insured by the captive insurance company.

(215 ILCS 5/123C-25 new)

Sec. 123C-25. Captive managers. Before providing captive management services to a licensed captive insurance company, a captive management company shall register with the Director by providing the information required on a form adopted by the Director.

(215 ILCS 5/123C-26 new)

Sec. 123C-26. Dividends.

A. A captive insurance company shall notify the Director in writing when issuing policyholder dividends.

B. A captive insurance company, with the Director's approval, may issue dividends or distributions to the holders of an equity interest in the captive insurance company. The Director shall adopt rules to implement this subsection B.

(215 ILCS 5/123C-27 new)

Sec. 123C-27. Rulemaking authority. The Director may adopt reasonable rules as necessary to implement the purposes and provisions of this Article.

(215 ILCS 5/123C-28 new)

Sec. 123C-28. Confidentiality.

A. Any information filed by an applicant or captive insurance company under this Article is confidential and privileged for all purposes, including for purposes of the Freedom of Information Act, a response to a subpoena, or evidence in a civil action. Except as provided by subsections B and C of this Section, the information may not be disclosed without the prior written consent of the applicant or captive insurance company to which the information pertains.

B. If the recipient of the information described by subsection A of this Section has the legal authority to maintain the confidential or privileged status of the information and verifies that authority in writing, the Director or his or her designee may disclose the information to any of the following entities functioning in an official capacity:

(1) a director of insurance or an insurance department of another state;

(2) an authorized law enforcement official;

(3) a State's Attorney of this State;

(4) the Attorney General;

(5) a grand jury;

(6) the National Association of Insurance Commissioners if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Article VIII 1/2 of this Code;

(7) another state or federal regulator if the applicant or captive insurance company to which the information relates operates in the entity's jurisdiction;

(8) an international insurance regulator or analogous financial agency if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Article VIII 1/2 of this Code and the holding company system operates in the entity's jurisdiction; or

(9) members of a supervisory college described by Section 131.20c of this Code, if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Article VIII 1/2 of this Code.

C. The Director may use information described by subsection A of this Section in the furtherance of a legal or regulatory action relating to the administration of this Code.

(215 ILCS 5/445) (from Ch. 73, par. 1057)

Sec. 445. Surplus line.

(1) Definitions. For the purposes of this Section:

"Affiliate" means, with respect to an insured, any entity that controls, is controlled by, or is under common control with the insured. For the purpose of this definition, an entity has control over another entity if:

(A) the entity directly or indirectly or acting through one or more other persons owns, controls, or has the power to vote 25% or more of any class of voting securities of the other entity; or

(B) the entity controls in any manner the election of a majority of the directors or trustees of the other entity.

"Affiliated group" means any group of entities that are all affiliated.

"Authorized insurer" means an insurer that holds a certificate of authority issued by the Director but, for the purposes of this Section, does not include a domestic surplus line insurer as defined in Section 445a or any residual market mechanism.

"Exempt commercial purchaser" means any person purchasing commercial insurance that, at the time of placement, meets the following requirements:

(A) The person employs or retains a qualified risk manager to negotiate insurance coverage.

(B) The person has paid aggregate nationwide commercial property and casualty insurance premiums in excess of $100,000 in the immediately preceding 12 months.

(C) The person meets at least one of the following criteria:

(I) The person possesses a net worth in excess of $20,000,000, as such amount is adjusted pursuant to the provision in this definition concerning percentage change.

(II) The person generates annual revenues in excess of $50,000,000, as such amount is adjusted pursuant to the provision in this definition concerning percentage change.

(III) The person employs more than 500 full-time or full-time equivalent employees per individual insured or is a member of an affiliated group employing more than 1,000 employees in the aggregate.

(IV) The person is a not-for-profit organization or public entity generating annual budgeted expenditures of at least $30,000,000, as such amount is adjusted pursuant to the provision in this definition concerning percentage change.

(V) The person is a municipality with a population in excess of 50,000 persons.

Effective on January 1, 2015 and each fifth January 1 occurring thereafter, the amounts in subitems (I), (II), and (IV) of item (C) of this definition shall be adjusted to reflect the percentage change for such 5-year period in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

"Home state" means the following:

(A) With respect to an insured, except as provided in item (B) of this definition:

(I) the state in which an insured maintains its principal place of business or, in the case of an individual, the individual's principal residence; or

(II) if 100% of the insured risk is located out of the state referred to in subitem (I), the state to which the greatest percentage of the insured's taxable premium for that insurance contract is allocated.

(B) If more than one insured from an affiliated group are named insureds on a single surplus line insurance contract, then "home state" means the home state, as determined pursuant to item (A) of this definition, of the member of the affiliated group that has the largest percentage of premium attributed to it under such insurance contract.

If more than one insured from a group that is not affiliated are named insureds on a single surplus line insurance contract, then:

(I) if individual group members pay 100% of the premium for the insurance from their own funds, "home state" means the home state, as determined pursuant to item (A) of this definition, of each individual group member; each individual group member's coverage under the surplus line insurance contract shall be treated as a separate surplus line contract for the purposes of this Section;

(II) otherwise, "home state" means the home state, as determined pursuant to item (A) of this definition, of the group.

Nothing in this definition shall be construed to alter the terms of the surplus line insurance contract.

"Multi-State risk" means a risk with insured exposures in more than one State.

"NAIC" means the National Association of Insurance Commissioners or any successor entity.

"Qualified risk manager" means, with respect to a policyholder of commercial insurance, a person who meets all of the following requirements:

(A) The person is an employee of, or third-party consultant retained by, the commercial policyholder.

(B) The person provides skilled services in loss prevention, loss reduction, or risk and insurance coverage analysis, and purchase of insurance.

(C) With regard to the person:

(I) the person has:

(a) a bachelor's degree or higher from an accredited college or university in risk management, business administration, finance, economics, or any other field determined by the Director or his designee to demonstrate minimum competence in risk management; and

(b) the following:

(i) three years of experience in risk financing, claims administration, loss prevention, risk and insurance analysis, or purchasing commercial lines of insurance; or

(ii) alternatively has:

(AA) a designation as a Chartered Property and Casualty Underwriter (in this subparagraph (ii) referred to as "CPCU") issued by the American Institute for CPCU/Insurance Institute of America;

(BB) a designation as an Associate in Risk Management (ARM) issued by the American Institute for CPCU/Insurance Institute of America;

(CC) a designation as Certified Risk Manager (CRM) issued by the National Alliance for Insurance Education & Research;

(DD) a designation as a RIMS Fellow (RF) issued by the Global Risk Management Institute; or

(EE) any other designation, certification, or license determined by the Director or his designee to demonstrate minimum competency in risk management;

(II) the person has:

(a) at least 7 years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis, or purchasing commercial lines of insurance; and

(b) has any one of the designations specified in subparagraph (ii) of paragraph (b);

(III) the person has at least 10 years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis, or purchasing commercial lines of insurance; or

(IV) the person has a graduate degree from an accredited college or university in risk management, business administration, finance, economics, or any other field determined by the Director or his or her designee to demonstrate minimum competence in risk management.

"Residual market mechanism" means an association, organization, or other entity described in Article XXXIII of this Code or Section 7-501 of the Illinois Vehicle Code or any similar association, organization, or other entity.

"State" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.

"Surplus line insurance" means insurance on a risk:

(A) of the kinds specified in Classes 2 and 3 of Section 4 of this Code; and

(B) that is procured from an unauthorized insurer after the insurance producer representing the insured or the surplus line producer is unable, after diligent effort, to procure the insurance from authorized insurers; and

(C) where Illinois is the home state of the insured, for policies effective, renewed or extended on July 21, 2011 or later and for multiyear policies upon the policy anniversary that falls on or after July 21, 2011; and

(D) that is located in Illinois, for policies effective prior to July 21, 2011.

"Unauthorized insurer" means an insurer that does not hold a valid certificate of authority issued by the Director but, for the purposes of this Section, shall also include a domestic surplus line insurer as defined in Section 445a.

(1.5) Procuring surplus line insurance; surplus line insurer requirements.

(a) Insurance producers may procure surplus line insurance only if licensed as a surplus line producer under this Section.

(b) Licensed surplus line producers may procure surplus line insurance from an unauthorized insurer domiciled in the United States only if the insurer:

(i) is permitted in its domiciliary jurisdiction to write the type of insurance involved; and

(ii) has, based upon information available to the surplus line producer, a

policyholders surplus of not less than $15,000,000 determined in accordance with the laws of its domiciliary jurisdiction; and

(iii) has standards of solvency and management that are adequate for the protection of policyholders.

Where an unauthorized insurer does not meet the standards set forth in (ii) and (iii) above, a surplus line producer may, if necessary, procure insurance from that insurer only if prior written warning of such fact or condition is given to the insured by the insurance producer or surplus line producer.

(c) Licensed surplus line producers may procure surplus line insurance from an unauthorized insurer domiciled outside of the United States only if the insurer meets the standards for unauthorized insurers domiciled in the United States in paragraph (b) of this subsection (1.5) or is listed on the Quarterly Listing of Alien Insurers maintained by the International Insurers Department of the NAIC. The Director shall make the Quarterly Listing of Alien Insurers available to surplus line producers without charge.

(d) Insurance producers shall not procure from an unauthorized insurer an insurance policy:

(i) that is designed to satisfy the proof of financial responsibility and insurance requirements in any Illinois law where the law requires that the proof of insurance is issued by an authorized insurer or residual market mechanism;

(ii) that covers the risk of accidental injury to employees arising out of and in the course of employment according to the provisions of the Workers' Compensation Act; or

(iii) that insures any Illinois personal lines risk, as defined in subsection (a), (b), or (c) of Section 143.13 of this Code, that is eligible for residual market mechanism coverage, unless the insured or prospective insured requests limits of liability greater than the limits provided by the residual market mechanism. In the course of making a diligent effort to procure insurance from authorized insurers, an insurance producer shall not be required to submit a risk to a residual market mechanism when the risk is not eligible for coverage or exceeds the limits available in the residual market mechanism.

Where there is an insurance policy issued by an authorized insurer or residual market mechanism insuring a risk described in item (i), (ii), or (iii) above, nothing in this paragraph shall be construed to prohibit a surplus line producer from procuring from an unauthorized insurer a policy insuring the risk on an excess or umbrella basis where the excess or umbrella policy is written over one or more underlying policies.

(e) Licensed surplus line producers may procure surplus line insurance from an unauthorized insurer for an exempt commercial purchaser without making the required diligent effort to procure the insurance from authorized insurers if:

(i) the producer has disclosed to the exempt commercial purchaser that such insurance may or may not be available from authorized insurers that may provide greater protection with more regulatory oversight; and

(ii) the exempt commercial purchaser has subsequently in writing requested the producer to procure such insurance from an unauthorized insurer.

(2) Surplus line producer; license. Any licensed producer who is a resident of this State, or any nonresident who qualifies under Section 500-40, may be licensed as a surplus line producer upon payment of an annual license fee of $400.

A surplus line producer so licensed shall keep a separate account of the business transacted thereunder for 7 years from the policy effective date which shall be open at all times to the inspection of the Director or his representative.

No later than July 21, 2012, the State of Illinois shall participate in the national insurance producer database of the NAIC, or any other equivalent uniform national database, for the licensure of surplus line producers and the renewal of such licenses.

(3) Taxes and reports.

(a) Surplus line tax and penalty for late payment. The surplus line tax rate for a surplus line insurance policy or contract is determined as follows:

(i) 3% for policies or contracts with an effective date prior to July 1, 2003;

(ii) 2.5% ~~3.5%~~ for policies or contracts with an effective date of July 1, 2003 or later.

A surplus line producer shall file with the Director on or before February 1 and August 1 of each year a report in the form prescribed by the Director on all surplus line insurance procured from unauthorized insurers and submitted to the Surplus Line Association of Illinois during the preceding 6 month period ending December 31 or June 30 respectively, and on the filing of such report shall pay to

the Director for the use and benefit of the State a sum equal to the surplus line tax rate multiplied by the gross premiums less returned premiums upon all surplus line insurance submitted to the Surplus Line Association of Illinois during the preceding 6 months.

Any surplus line producer who fails to pay the full amount due under this subsection is liable, in addition to the amount due, for such late fee, penalty, and interest charges as are provided for under Section 412 of this Code. The Director, through the Attorney General, may institute an action in the name of the People of the State of Illinois, in any court of competent jurisdiction, for the recovery of the amount of such taxes, late fees, interest, and penalties due, and prosecute the same to final judgment, and take such steps as are necessary to collect the same.

(b) Fire Marshal Tax. Each surplus line producer shall file with the Director on or before March 31 of each year a report in the form prescribed by the Director on all fire insurance procured from unauthorized insurers and submitted to the Surplus Line Association of Illinois subject to tax under Section 12 of the Fire Investigation Act and shall pay to the Director the fire marshal tax required thereunder.

(c) Taxes and fees charged to insured. The taxes imposed under this subsection and the countersigning fees charged by the Surplus Line Association of Illinois may be charged to and collected from surplus line insureds.

(4) (Blank).

(5) Submission of documents to Surplus Line Association of Illinois. A surplus line producer shall submit every insurance contract issued under his or her license to the Surplus Line Association of Illinois for recording and countersignature. The submission and countersignature may be effected through electronic means. The submission shall set forth:

(a) the name of the insured;

(b) the description and location of the insured property or risk;

(c) the amount insured;

(d) the gross premiums charged or returned;

(e) the name of the unauthorized insurer from whom coverage has been procured;

(f) the kind or kinds of insurance procured; and

(g) amount of premium subject to tax required by Section 12 of the Fire Investigation Act.

Proposals, endorsements, and other documents which are incidental to the insurance but which do not affect the premium charged are exempted from filing and countersignature.

The submission of insuring contracts to the Surplus Line Association of Illinois constitutes a certification by the surplus line producer or by the insurance producer who presented the risk to the surplus line producer for placement as a surplus line risk that after diligent effort the required insurance could not be procured from authorized insurers and that such procurement was otherwise in accordance with the surplus line law.

(6) Countersignature required. It shall be unlawful for an insurance producer to deliver any unauthorized insurer contract unless such insurance contract is countersigned by the Surplus Line Association of Illinois.

(7) Inspection of records. A surplus line producer shall maintain separate records of the business transacted under his or her license for 7 years from the policy effective date, including complete copies of surplus line insurance contracts maintained on paper or by electronic means, which records shall be open at all times for inspection by the Director and by the Surplus Line Association of Illinois.

(8) Violations and penalties. The Director may suspend or revoke or refuse to renew a surplus line producer license for any violation of this Code. In addition to or in lieu of suspension or revocation, the Director may subject a surplus line producer to a civil penalty of up to $2,000 for each cause for suspension or revocation. Such penalty is enforceable under subsection (5) of Section 403A of this Code.

(9) Director may declare insurer ineligible. If the Director determines that the further assumption of risks might be hazardous to the policyholders of an unauthorized insurer, the Director may order the Surplus Line Association of Illinois not to countersign insurance contracts evidencing insurance in such insurer and order surplus line producers to cease procuring insurance from such insurer.

(10) Service of process upon Director. Insurance contracts delivered under this Section from unauthorized insurers, other than domestic surplus line insurers as defined in Section 445a, shall contain a provision designating the Director and his successors in office the true and lawful attorney of the insurer upon whom may be served all lawful process in any action, suit or proceeding arising out of such insurance. Service of process made upon the Director to be valid hereunder must state the name of the insured, the name of the unauthorized insurer and identify the contract of insurance. The Director at his option is authorized to forward a copy of the process to the Surplus Line Association of Illinois for delivery to the

unauthorized insurer or the Director may deliver the process to the unauthorized insurer by other means which he considers to be reasonably prompt and certain.

(10.5) Insurance contracts delivered under this Section from unauthorized insurers, other than domestic surplus line insurers as defined in Section 445a, shall have stamped or imprinted on the first page thereof in not less than 12-pt. bold face type the following legend: "Notice to Policyholder: This contract is issued, pursuant to Section 445 of the Illinois Insurance Code, by a company not authorized and licensed to transact business in Illinois and as such is not covered by the Illinois Insurance Guaranty Fund." Insurance contracts delivered under this Section from domestic surplus line insurers as defined in Section 445a shall have stamped or imprinted on the first page thereof in not less than 12-pt. bold face type the following legend: "Notice to Policyholder: This contract is issued by a domestic surplus line insurer, as defined in Section 445a of the Illinois Insurance Code, pursuant to Section 445, and as such is not covered by the Illinois Insurance Guaranty Fund."

(11) The Illinois Surplus Line law does not apply to insurance of property and operations of railroads or aircraft engaged in interstate or foreign commerce, insurance of vessels, crafts or hulls, cargoes, marine builder's risks, marine protection and indemnity, or other risks including strikes and war risks insured under ocean or wet marine forms of policies.

(12) Surplus line insurance procured under this Section, including insurance procured from a domestic surplus line insurer, is not subject to the provisions of the Illinois Insurance Code other than Sections 123, 123.1, 401, 401.1, 402, 403, 403A, 408, 412, 445, 445.1, 445.2, 445.3, 445.4, and all of the provisions of Article XXXI to the extent that the provisions of Article XXXI are not inconsistent with the terms of this Act.

(Source: P.A. 97-955, eff. 8-14-12; 98-978, eff. 1-1-15.)

(215 ILCS 5/123C-4 rep.)

Section 10. The Illinois Insurance Code is amended by repealing Section 123C-4.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Floor Amendment No. 2 was postponed in the Committee on Insurance.

Senator Mulroe offered the following amendment and moved its adoption:

**AMENDMENT NO. 3 TO SENATE BILL 1286**

AMENDMENT NO. 3. Amend Senate Bill 1286, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Insurance Code is amended by changing Sections 121-2.08, 123C-1, 123C-2, 123C-3, 123C-9, 123C-11, 123C-12, 123C-13, 123C-16, 123C-17, and 123C-19 and by adding Sections 123C-23, 123C-24, 123C-25, 123C-26, 123C-27, and 123C-28 as follows:

(215 ILCS 5/121-2.08) (from Ch. 73, par. 733-2.08)

Sec. 121-2.08. Transactions in this State involving contracts of insurance independently procured directly from an unauthorized insurer by industrial insureds.

(a) As used in this Section:

"Exempt commercial purchaser" means exempt commercial purchaser as the term is defined in subsection (1) of Section 445 of this Code.

"Home state" means home state as the term is defined in subsection (1) of Section 445 of this Code.

"Industrial insured" means an insured:

(i) that procures the insurance of any risk or risks of the kinds specified in Classes 2 and 3 of Section 4 of this Code by use of the services of a full-time employee who is a qualified risk manager or the services of a regularly and continuously retained consultant who is a qualified risk manager;

(ii) that procures the insurance directly from an unauthorized insurer without the services of an intermediary insurance producer; and

(iii) that is an exempt commercial purchaser whose home state is Illinois.

"Insurance producer" means insurance producer as the term is defined in Section 500-10 of this Code.

"Qualified risk manager" means qualified risk manager as the term is defined in subsection (1) of Section 445 of this Code.

"Unauthorized insurer" means unauthorized insurer as the term is defined in subsection (1) of Section 445 of this Code.

(b) For contracts of insurance effective January 1, 2015 or later, within 90 days after the effective date of each contract of insurance issued under this Section, the insured shall file a report with the Director by

submitting the report to the Surplus Line Association of Illinois in writing or in a computer readable format and provide information as designated by the Surplus Line Association of Illinois. The information in the report shall be substantially similar to that required for surplus line submissions as described in subsection (5) of Section 445 of this Code. Where applicable, the report shall satisfy, with respect to the subject insurance, the reporting requirement of Section 12 of the Fire Investigation Act.

(c) For contracts of insurance effective January 1, 2015 through December 31, 2017 ~~or later~~, within 30 days after filing the report, the insured shall pay to the Director for the use and benefit of the State a sum equal to the gross premium of the contract of insurance multiplied by the surplus line tax rate, as described in paragraph (3) of subsection (a) of Section 445 of this Code, and shall pay the fire marshal tax that would otherwise be due annually in March for insurance subject to tax under Section 12 of the Fire Investigation Act. For contracts of insurance effective January 1, 2018 or later, within 30 days after filing the report, the insured shall pay to the Director for the use and benefit of the State a sum equal to 0.5% of the gross premium of the contract of insurance, and shall pay the fire marshal tax that would otherwise be due annually in March for insurance subject to tax under Section 12 of the Fire Investigation Act. For contracts of insurance effective January 1, 2015 or later, within 30 days after filing the report, the insured shall pay to the Surplus Line Association of Illinois a countersigning fee that shall be assessed at the same rate charged to members pursuant to subsection (4) of Section 445.1 of this Code.

(d) For contracts of insurance effective January 1, 2015 or later, the insured shall withhold the amount of the taxes and countersignature fee from the amount of premium charged by and otherwise payable to the insurer for the insurance. If the insured fails to withhold the tax and countersignature fee from the premium, then the insured shall be liable for the amounts thereof and shall pay the amounts as prescribed in subsection (c) of this Section.

(e) Contracts of insurance with an industrial insured that qualifies as a Safety-Net Hospital are not subject to subsections (b) through (d) of this Section.

(Source: P.A. 98-978, eff. 1-1-15.)

(215 ILCS 5/123C-1) (from Ch. 73, par. 735C-1)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-1. Definitions. As used in this Article:

A. "Affiliate" or "Affiliated company" includes a parent entity that controls a captive insurance company and:

(1) is an affiliate of another entity if the entity directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the other entity.

(2) is an affiliate of another entity if the entity is an affiliate of and is controlled by the other entity directly or indirectly through one or more intermediaries.

A subsidiary or holding company of an entity is an affiliate of that entity. ~~shall have the meaning set forth in subsection (a) of Section 131.1 (and, for purposes of such definition, the definitions of "control" and "person", as set forth in subsections (b) and (e) of Section 131.1, respectively, shall be applicable).~~

B. "Association" means any entity meeting the requirements set forth in either of the following paragraphs (1), (2) or (3):

(1) any organized association of individuals, legal representatives, corporations (whether for profit or not for profit), partnerships, trusts, associations, units of government or other organizations, or any combination of the foregoing, that has been in continuous existence for at least one year, the member organizations of which collectively:

(a) own, control, or hold with power to vote (directly or indirectly) all of the outstanding voting securities of an association captive insurance company incorporated as a stock insurer; or

(b) have complete voting control (directly or indirectly) over an association captive insurance company organized as a mutual insurer;

(2) any organized association of individuals, legal representatives, corporations (whether for profit or not for profit), partnerships, trusts, associations, units of government or other organizations, or any combination of the foregoing:

(a) whose member organizations are engaged in businesses or activities similar or related with respect to the liability of which such members are exposed by virtue of any related, similar, or common business, trade, product, services, premises, or operations; and

(b) whose member organizations:

(i) directly or indirectly own or control, and hold with power to vote, at least 80% of all of the outstanding voting securities of an association captive insurance company incorporated as a stock insurer; or

(ii) directly or indirectly have at least 80% of the voting control over an

association captive insurance company organized as a mutual insurer; or

(3) any risk retention group, as defined in subsection (11) of Section 123B-2, domiciled in this State and organized under this Article; however, beginning 6 months after the effective date of this amendatory Act of 1995, a risk retention group shall no longer qualify as an association under this Article.

Provided, however, that with respect to each of the associations described in paragraphs (1), (2) and (3) above, no member organization may (i) own, control, or hold with power to vote in excess of 25% of the voting securities of an association captive insurance company incorporated as a stock insurer, or (ii) have more than 25% of the voting control of an association captive insurance company organized as a mutual insurer.

C. "Association captive insurance company" means any company that insures risks of (i) the member organizations of an association, and (ii) their affiliated companies.

D. "Captive insurance company" means any pure captive insurance company, association captive insurance company or industrial insured captive insurance company organized under the provisions of this Article.

E. "Director" means the Director of the Department of Insurance.

F. "Industrial insured" means an insured which (together with its affiliates) at the time of its initial procurement of insurance from an industrial insured captive insurance company:

(1) has available to it advice with respect to the purchase of insurance through the use of the services of a full-time employee acting as an insurance manager or buyer or the services of a regularly and continuously retained qualified insurance consultant; and

(2) pays aggregate annual premiums in excess of $100,000 for insurance on all risks except for life, accident and health; and

(3) either (i) has at least 25 full-time employees, or (ii) has gross assets in excess of $3,000,000, or (iii) has annual gross revenues in excess of $5,000,000.

G. "Industrial insured captive insurance company" means any company that insures risks of industrial insureds that are members of the industrial insured group, and their affiliated companies.

H. "Industrial insured group" means any group of industrial insureds that collectively:

(1) directly or indirectly (including ownership or control through a company which is wholly owned by such group of industrial insureds) own or control, and hold with power to vote, all of the outstanding voting securities of an industrial insured captive insurance company incorporated as a stock insurer; or

(2) directly or indirectly (including control through a company which is wholly owned by such group of industrial insureds) have complete voting control over an industrial insured captive insurance company organized as a mutual insurer; provided, however, that no member organization may (i) own, control, or hold with power to vote in excess of 25% of the voting securities of an industrial insured captive insurance company incorporated as a stock insurer, or (ii) have more than 25% of the voting control of an industrial insured captive insurance company organized as a mutual insurer.

I. "Member organization" means any individual, legal representative, corporation (whether for profit or not for profit), partnership, association, unit of government, trust or other organization that belongs to an association or an industrial insured group.

J. "Parent" means a corporation, partnership, individual or other legal entity that directly or indirectly owns, controls, or holds with power to vote more than 50% of the outstanding voting securities of a company.

K. "Personal risk liability" means liability to other persons for (i) damage because of injury to any person, (ii) damage to property, or (iii) other loss or damage, in each case resulting from any personal, familial, or household responsibilities or activities, but does not include legal liability for damages (including costs of defense, legal costs and fees, and other claims expenses) because of injuries to other persons, damage to their property, or other damage or loss to such other persons resulting from or arising out of:

(i) any business (whether for profit or not for profit), trade, product, services (including professional services), premises, or operations; or

(ii) any activity of any state or local government, or any agency or political subdivision thereof.

L. "Pure captive insurance company" means any company that insures only risks of its parent or affiliated companies or both.

M. "Unit of government" includes any state, regional or local government, or any agency or political subdivision thereof, or any district, authority, public educational institution or school district, public corporation or other unit of government in this State or any similar unit of government in any other state.

N. "Control" means the power to direct, or cause the direction of, the management and policies of an entity, other than the power that results from an official position with or corporate office held in the entity. The power may be possessed directly or indirectly by any means, including through the ownership of voting securities or by contract, other than a commercial contract for goods or non-management services.

O. "Qualified independent actuary" means a person that is either:

(1) a member in good standing with the Casualty Actuarial Society; or

(2) a member in good standing with the American Academy of Actuaries who has been approved as qualified for signing casualty loss reserve opinions by the Casualty Practice Council of the American Academy of Actuaries.

P. "Controlled unaffiliated business" means an entity:

(1) that is not an affiliate;

(2) that has an existing contractual relationship with an affiliate under which the affiliate bears a potential financial loss; and

(3) whose risks are managed by a captive insurance company under Section 123C-24 of this Code.

Q. "Operational risk" means any potential financial loss of an affiliate, except for a loss arising from an insurance policy issued by a captive or insurance affiliate.

R. "Captive management company" means an entity providing administrative services to a captive insurance company.

S. "Safety-Net Hospital" means an Illinois hospital that qualifies as a Safety-Net Hospital under Section 5-5e.1 of the Illinois Public Aid Code.

(Source: P.A. 89-97, eff. 7-7-95; 90-794, eff. 8-14-98.)

(215 ILCS 5/123C-2) (from Ch. 73, par. 735C-2)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-2. Authority of captives; restrictions.

A. Except as provided by this Section, a captive insurance company may write any type of insurance, but may only insure the operational risks of the company's affiliates and risks of a controlled unaffiliated business. ~~Any captive insurance company, when permitted by its articles of association or charter, may apply to the Director for a certificate of authority to transact any and all insurance in classes 2 and 3 of Section 4 of this Code, except that:~~

~~(1) no pure captive insurance company may insure any risks other than those of its parent and affiliated companies;~~

~~(2) no association captive insurance company may insure any risks other than those of the member organizations of its association, and their affiliated companies;~~

~~(3) no industrial insured captive insurance company may insure any risks other than those of the members of the industrial insured group, and their affiliated companies; and~~

~~(4) no captive insurance company may provide:~~

~~(i) personal motor vehicle coverage or homeowner's insurance coverage or any component thereof, or~~

~~(ii) personal coverage for personal risk liability, or~~

~~(iii) coverage for an employer's liability to its employees other than legal liability under the federal Employers' Liability Act (45 U.S.C. 51 et seq.), provided, however, this exclusion does not preclude reinsurance of such employer's liability, or~~

~~(iv) accident and health insurance as provided in clause (a) of Class 2 of Section 4, provided, however, this exclusion does not preclude stop-loss insurance or reinsurance of a single employer self-funded employee disability benefit plan or an employee welfare plan as described in 29 U.S.C. 1001 et seq.~~

A-5. A captive insurance company may not issue:

(1) life insurance;

(2) annuities;

(3) accident and health insurance for the company's parent and affiliates, except to insure employee benefits that are subject to the federal Employee Retirement Income Security Act of 1974;

(4) title insurance;

(5) mortgage guaranty insurance;

(6) financial guaranty insurance;

(7) residential property insurance;

(8) personal automobile insurance; or

(9) workers' compensation insurance.

A-10. A captive insurance company may not issue a type of insurance, including automobile liability insurance, that is required under the laws of this State or a political subdivision of this State as a

prerequisite for obtaining a license or permit if the law requires that the liability insurance be issued by an insurer authorized to engage in the business of insurance in this State.

A-15. A captive insurance company is authorized to issue a contractual reimbursement policy to:

(1) an affiliated certified self-insurer authorized under the Workers' Compensation Act or a similar affiliated entity expressly authorized by analogous laws of another state; or

(2) an affiliate that is insured by a workers' compensation insurance policy with a negotiated deductible endorsement.

B. No captive insurance company shall do any insurance business in this State unless:

(1) it first obtains from the Director a certificate of authority authorizing it to do such insurance business in this State; and

(2) it appoints a resident registered agent to accept service of process and to otherwise act on its behalf in this State.

C. No captive insurance company shall adopt a name that is the same as, deceptively similar to, or likely to be confused with or mistaken for, any other existing business name registered in this State.

D. Each captive insurance company, or the organizations providing the principal administrative or management services to such captive insurance company, shall maintain a place of business in this State. (Source: P.A. 91-357, eff. 7-29-99.)

(215 ILCS 5/123C-3) (from Ch. 73, par. 735C-3)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-3. Minimum capital and surplus.

A. The Department may not issue a certificate of authority to a captive insurance company unless the company possesses and maintains unencumbered capital and surplus in an amount determined by the Director after considering:

(1) the amount of premium written by the captive insurance company;

(2) the characteristics of the assets held by the captive insurance company;

(3) the terms of reinsurance arrangements entered into by the captive insurance company;

(4) the type of business covered in policies issued by the captive insurance company;

(5) the underwriting practices and procedures of the captive insurance company; and

(6) any other criteria that has an impact on the operations of the captive insurance company determined to be significant by the Director. ~~No pure captive insurance company, association captive insurance company incorporated as a stock insurer, or industrial insured captive insurance company incorporated as a stock insurer shall be issued a certificate of authority unless it shall possess and thereafter maintain unimpaired paid-in capital of not less than the minimum capital requirement applicable to the class or classes and clause or clauses of Section 4 describing the kind or kinds of insurance which such captive insurance company is authorized to write, as set forth in subsection (1) of Section 13.~~

B. The amount of capital and surplus determined by the Director under subsection A of this Section may not be less than $250,000 for a pure captive insurance company, $500,000 for an industrial insured captive insurance company, and $750,000 for an association captive insurance company. ~~Such capital may be in the form of (1) all cash or cash equivalents; or (2) cash or cash equivalents representing at least 20% of the requisite capital, together with an irrevocable letter of credit for the remainder of the requisite capital, which letter of credit must (a) be approved by the Director, (b) be issued or unconditionally confirmed by (i) a bank chartered by this State, (ii) a member bank of the Federal Reserve System or (iii) a United States office of a foreign banking corporation that is: (A) licensed under the laws of the United States or any state thereof, (B) regulated, supervised and examined by United States federal or state authorities having regulatory authority over banks and trust companies, and (C) designated by the Securities Valuation Office of the National Association of Insurance Commissioners as meeting its credit standards for issuing or confirming letters of credit or, in the event that the Director elects to establish credit standards by rule, in compliance with rules promulgated by the Director establishing reasonable standards of safety and soundness substantially equivalent to those of the Securities Valuation Office of the National Association of Insurance Commissioners, and (c) satisfy the requirements of Section 123C-19; or (3) cash or cash equivalents representing at least 33% of the requisite capital, together with irrevocable contractual obligations of the member organizations of the captive insurance company for the payment of the remainder of the requisite capital in no more than 3 equal installments in each of the 3 calendar years following the date of the grant of the certificate of authority to the captive insurance company, which irrevocable contractual obligations shall by contract be subject to acceleration (in a manner acceptable to the Director) by the Company at the direction of the Director and shall be secured by a letter of credit or other form of guarantee or security acceptable to the Director.~~

C. The capital and surplus required by subsection A of this Section must be in the form of:

(1) United States currency;

(2) an irrevocable letter of credit, in a form approved by the Director and not secured by a guarantee from an affiliate, naming the Director as beneficiary for the security of the captive insurance company's policyholders and issued by a bank approved by the Director;

(3) bonds of this State; or

(4) bonds or other evidences of indebtedness of the United States, the principal and interest of which are guaranteed by the United States.

(Source: P.A. 86-632.)

(215 ILCS 5/123C-9) (from Ch. 73, par. 735C-9)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-9. Reports, statements and mandatory reserves.

A. Captive insurance companies shall not be required to make any annual report except as provided in this Article.

B. (1) On or before ~~Prior to~~ March 1 of each year, each captive insurance company shall submit to the Director a report of its financial condition, verified by oath of 2 of its executive officers and including (i) a balance sheet reporting assets, liabilities, capital and surplus, (ii) a statement of gain or loss from operations, (iii) a statement of changes in financial position, (iv) a statement of changes in capital and surplus, ~~and~~ (v) in the case of industrial insured captive insurance companies, an analysis of loss reserve development, information on risks ceded and assumed under reinsurance agreements, on forms prescribed by the Director, and a schedule of its invested assets on forms prescribed by the Director , and (vi) a statement of actuarial opinion by a qualified independent actuary concerning the reasonableness of the captive insurance company's loss and loss adjustment expense reserves in such form and of such content as specified in the National Association of Insurance Commissioners Annual Statement Instructions: Property and Casualty.

(2) In addition, prior to March 1 of each year, each association captive insurance company shall submit to the Director such additional data or information, which the Director may from time to time require, on a form specified by the Director.

(3) On or before June 1 of each year, each captive insurance company shall submit to the Director a report of its financial condition at last year's end with an independent certified public accountant's opinion of the company's financial condition. ~~Prior to June 1 of each year, each association and industrial insured captive insurance company shall submit to the Director a report of its financial condition, certified by a recognized firm of independent public accountants acceptable to the Director and including the items referred to in items (i), (ii), (iii) and (iv) of paragraph (1) of this subsection B.~~

(4) Unless the Director permits otherwise, the reports of financial condition referred to in paragraphs (1) and (3) of this subsection B are to be prepared in accordance with the Accounting Practices and Procedures Manual adopted by the National Association of Insurance Commissioners. The Director shall have authority to extend the time for filing any report or statement by any company for reasons which he considers good and sufficient.

C. In addition, any captive insurance company may be required by the Director, when he considers such action to be necessary and appropriate for the protection of policyholders, creditors, shareholders or claimants, to file, within 60 days after mailing to the company of a notice that such is required, a supplemental summary statement as of the last day of any calendar month occurring during the 100 days next preceding the mailing of such notice designated by him on forms prescribed and furnished by the Director. No company shall be required to file more than 4 supplemental summary statements during any consecutive 12 month period.

D. Every captive insurance company shall, at all times, maintain reserves in an amount estimated in the aggregate to provide for the payment of all losses and claims incurred, whether reported or unreported, which are unpaid and for which such company may be liable, and to provide for the expenses of adjustment or settlement of such losses and claims. The aggregate reserves shall be reduced by reinsurance ceded which meets the requirements of Section 123C-13. For the purpose of such reserves, the company shall keep a complete and itemized record showing all losses and claims on which it has received notice, including all notices received by it of the occurrence of any event which may result in a loss. Such record shall be opened in chronological receipt order, with each notice of loss or claim identified by appropriate number or coding.

E. Every captive insurance company shall maintain an unearned premium reserve on all policies in force which reserve shall be charged as a liability. The portions of the gross premiums in force, after deducting reinsurance qualifying under Section 123C-13, which shall be held as a premium reserve, shall never be less in the aggregate than the company's actual liability to all its insureds for the return of gross unearned premiums. In the calculation of the company's actual liability to all its insureds, the reserve shall be computed pursuant to the method commonly referred to as the monthly pro rata method; provided,

however, that the Director may require that such reserve shall be equal to the unearned portions of the gross premiums in force, after deducting reinsurance qualifying under Section 123C-13, in which case the reserve shall be computed on each respective risk from the date of the issuance of the policy.

E-5. A captive insurance company may make a written application to the Director for filing its annual report required under this Section on a fiscal year's end. If an alternative filing date is granted, the company shall file:

(1) the annual report, including a statement of actuarial opinion by a qualified independent actuary concerning the reasonableness of the captive insurance company's loss and loss adjustment expense reserves in such form and of such content as specified in the National Association of Insurance Commissioners Annual Statement Instructions: Property and Casualty, no later than the 60th day after the date of the company's fiscal year's end;

(2) the report of its financial condition at last year's end with an independent certified public accountant's opinion of the company's financial condition; and

(3) its balance sheet, income statement, and statement of cash flows, verified by 2 of its executive officers, before March 1 of each year to provide sufficient detail to support a premium tax return.

F. The reports required by this Section shall be prepared and filed on a calendar year basis.

G. Notwithstanding the requirements of this Section, a captive insurance company may prepare and issue financial statements prepared in accordance with generally accepted accounting principles.

(Source: P.A. 85-131; 86-1155; 86-1156.)

(215 ILCS 5/123C-11) (from Ch. 73, par. 735C-11)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-11. Grounds and procedures for suspension or revocation of certificate of authority.

A. The certificate of authority of a captive insurance company to do an insurance business in this State may be suspended or revoked by the Director for any of the following reasons:

(1) insolvency or impairment of required capital or surplus to policy holders;

(2) failure to meet the requirements of Sections 123C-3 or 123C-4;

(3) refusal or failure to submit an annual report, as required by Section 123C-9, or any other report or statement required by law or by lawful order of the Director;

(4) failure to comply with the provisions of its own charter or bylaws (or, in the case of an industrial insured captive, with the provisions of the investment policy set forth in its plan of operation as approved from time to time by the Director);

(5) failure to submit to examination or any legal obligation relative thereto, as required by Section 123C-10;

(6) refusal or failure to pay expenses, ~~and~~ charges , and taxes as required by Sections 408, 409, 123C-10, and 123C-17;

(7) use of methods that, although not otherwise specifically prohibited by law, nevertheless render its operation detrimental or its condition unsound with respect to the public or to its policyholders; or

(8) failure otherwise to comply with the laws of this State.

B. If the Director finds, upon examination, hearing, or other evidence, that any captive insurance company has committed any of the acts specified in subsection A, he may suspend or revoke such certificate of authority if he deems it in the best interest of the public and the policyholders of such captive insurance company, notwithstanding any other provision of this Article.

C. The provisions of Articles XIII and XIII 1/2 shall apply to and govern the conservation, rehabilitation, liquidation and dissolution of captive insurance companies.

(Source: P.A. 85-131.)

(215 ILCS 5/123C-12) (from Ch. 73, par. 735C-12)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-12. Legal investments.

A. The provisions of Article VIII and of Sections 131.2 and 131.3 shall apply to association captive insurance companies.

B. No pure captive insurance company or industrial insured captive insurance company shall be subject to any restrictions on allowable investments whatever, including those limitations contained in Articles VIII and VIII 1/2; provided, however, that the Director may prohibit or limit any investment or type of investment that threatens the solvency or liquidity of any such company; and provided further that an industrial insured captive insurance company must adhere to the investment policy set forth in its plan of operation as approved from time to time by the Director.

C. A captive insurance company may make loans to its affiliates with the prior approval of the Director. Each loan must be evidenced by a note approved by the Director. A captive insurance company may not make a loan of the minimum capital and surplus funds required by this Article.

D. The Director may prohibit or limit an investment that threatens the solvency or liquidity of a captive insurance company.

(Source: P.A. 85-131.)

(215 ILCS 5/123C-13) (from Ch. 73, par. 735C-13)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-13. Reinsurance.

A. Any captive insurance company may provide reinsurance on risks ceded by any other insurer; provided, however, that the risks so assumed are the same as the captive insurance company could legally insure on a direct basis.

The provisions of Section 174.1 shall not apply to any captive insurance company providing reinsurance.

B. Subject to the provisions of Article XI, any captive insurance company may cede, and may take credit for in the establishment of reserves, all or any part of its risks. Furthermore, in addition to Section 173.1, any pure or industrial insured captive insurance company may take credit, as either an asset or a deduction from liability, for reinsurance so ceded to the extent:

(1) The reinsurer satisfies all of the following (a) through (g):

(a) the principal business of the reinsurer (other than investments in subsidiaries and other investment activities) is to accept reinsurance from captive insurance companies organized under Article VIIC, of which the company accepting the reinsurance directly or indirectly owns, controls, or holds with power to vote more than 80% of the outstanding voting securities if organized as a stock company or more than 80% of the voting control if organized as a mutual company and to provide insurance related services;

(b) is licensed to transact insurance or reinsurance in its jurisdiction of domicile;

(c) submits to this State's authority to examine its books and records and agrees to pay the cost thereof;

(d) files annually with the Director a copy of its most recent audited financial statements;

(e) maintains a surplus as regards policyholders in an amount that is not less than $20,000,000;

(f) files with the Department the following:

(i) evidence of its submission to the jurisdiction of any court of competent jurisdiction in any state of the United States and its agreement to comply with all requirements necessary to give the court jurisdiction and to abide by the final decision of the court or of any appellate court in the event of an appeal; and

(ii) an instrument designating the Director or a designated attorney as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the ceding company;

(g) has not been the subject of an order of the Director entered after notice and hearing prohibiting the reinsurer from utilizing this paragraph (1); or

(2) the taking of credit by the captive insurance company has otherwise received the prior approval of the Director.

C. A captive insurance company shall provide notice to the Director of a reinsurance agreement to which the company becomes a party not later than the 30th day after the date of the execution of the agreement.

D. A captive insurance company shall provide notice of a termination of a previously filed reinsurance agreement to the Director not later than the 30th day after the date of termination.

E. Notwithstanding Section 123C-15 of this Code, a captive insurance company, with the Director's approval, may accept risks from and cede risks to or take credit for reserves on risks ceded to:

(1) a captive reinsurance pool composed only of other captive insurance companies holding a certificate of authority under this Article or a similar law of another jurisdiction; or

(2) an affiliated captive insurance company holding a certificate of authority under this Article or a similar law of another jurisdiction.

(Source: P.A. 87-108.)

(215 ILCS 5/123C-16) (from Ch. 73, par. 735C-16)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-16. Tax.

A. Every captive insurance company organized under the provisions of this Article and doing business in this State shall, for the privilege of doing business in this State, pay to the Director for the State treasury the State tax imposed under Section 409 to the same extent and in the same manner as a domestic insurance company using a tax form prescribed by the Director on or before March 15 of each year.

B. Domestic captive insurance companies shall be insurance companies subject to the rules now provided for such companies under the Illinois Income Tax Act.

C. A domestic captive insurance company that has engaged one or more administrative or management service organizations in order to comply with subsection D of Section 123C-2 shall be deemed to meet the requirements of Section 409(4)(a) through (d) provided that the company and such organizations when viewed collectively as a group:

(a) maintain a place of business in this State; and

(b) maintain in this State personnel knowledgeable of and responsible for the company's operations, books, records, administration and annual statement; and

(c) conduct in this State substantially all of the company's underwriting, policy issuing and servicing operations relating to the company's policyholders and certificate holders; and

(d) comply with the provisions of Section 133(2) with respect to such domestic captive insurance company's books, records, documents, accounts, vouchers and securities.

(Source: P.A. 86-632; 86-634.)

(215 ILCS 5/123C-17) (from Ch. 73, par. 735C-17)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-17. Fees.

A. The Director shall charge, collect, and give proper acquittances for the payment of the following fees and charges with respect to a captive insurance company:

1. For filing all documents submitted for the incorporation or organization or certification of a captive insurance company, $2,000 ~~$7,000~~.

2. For filing requests for approval of changes in the elements of a plan of operations, $200.

B. Except as otherwise provided in subsection A of this Section and in Section 123C-10, the provisions of Section 408 shall apply to captive insurance companies.

C. Any funds collected from captive insurance companies pursuant to this Section shall be treated in the manner provided in subsection (11) of Section 408.

(Source: P.A. 93-32, eff. 7-1-03.)

(215 ILCS 5/123C-19) (from Ch. 73, par. 735C-19)

(Section scheduled to be repealed on January 1, 2027)

Sec. 123C-19. Letters of credit.

A. Any letter of credit used to meet the requirements set forth in Sections 123C-3 and 123C-4:

(1) (blank); ~~may not be used to provide more than 80% of the amount required in Section 123C-3 and may not be used to provide more than 80% of the amount required in Section 123C-4;~~

(2) may not be allowed to expire without the prior written approval of the Director and shall provide for 30 days' advance written notice to the Director of the proposed expiration of the letter of credit; and

(3) must be provided pursuant to arrangements, acceptable to the Director, wherein all funds obtained by the company under the letter of credit are free of claims of any party which may arise on account of the company's resort to the letter of credit.

B. If letters of credit are used to provide surplus in excess of the amounts required in Section 123C-4:

(1) the aggregate amount of all such letters of credit shall not exceed the policyholder surplus of the company;

(2) without the prior written approval of the Director, no such letter of credit may be allowed to expire, in any period of 12 consecutive months ending on the date of such expiration, in an amount greater than the greater of (a) 10% of the company's surplus as regards policyholders as of the 31st day of December next preceding, or (b) the net income of the company for the 12 month period ending the 31st ~~31st~~ day of December next preceding. For purposes of this Section, net income includes net realized capital gains in an amount not to exceed 20% of net unrealized capital gains; and

(3) each such letter of credit shall provide for 30 days' advance written notice to the Director of the proposed expiration of the letter of credit.

C. (Blank). ~~The Director may require any company to draw upon its letters of credit, in amounts determined by the Director, if the Director determines that such action is necessary for the protection of the interests of policyholders.~~

D. (Blank). ~~Any company including amounts supported by letters of credit in its capital or surplus shall, prior to the time any person becomes a policyholder, notify such person of the amounts supported by letters of credit and included in the company's capital or surplus.~~

(Source: P.A. 85-131.)

(215 ILCS 5/123C-23 new)

Sec. 123C-23. Approval of captive reinsurance pools. Before determining whether to approve a captive insurance company's participation in a captive reinsurance pool under Section 123C-13 of this Code, the Director may:

(1) require the captive insurance company provide to the Director evidence that the captive reinsurance pool:

(a) is composed only of other captive insurance companies holding a certificate of authority under this Article or a similar law of another jurisdiction; and

(b) will be able to meet the pool's financial obligations; and

(2) impose any other limitation or requirement on the captive insurance company that is necessary and proper to provide adequate security for the captive insurance company.

(215 ILCS 5/123C-24 new)

Sec. 123C-24. Standards for risk management of controlled unaffiliated business. The Director may adopt rules establishing standards to ensure that an affiliated company is able to exercise control of the risk management function of any controlled unaffiliated business to be insured by the captive insurance company.

(215 ILCS 5/123C-25 new)

Sec. 123C-25. Captive managers. Before providing captive management services to a licensed captive insurance company, a captive management company shall register with the Director by providing the information required on a form adopted by the Director.

(215 ILCS 5/123C-26 new)

Sec. 123C-26. Dividends.

A. A captive insurance company shall notify the Director in writing when issuing policyholder dividends.

B. A captive insurance company, with the Director's approval, may issue dividends or distributions to the holders of an equity interest in the captive insurance company. The Director shall adopt rules to implement this subsection B.

(215 ILCS 5/123C-27 new)

Sec. 123C-27. Rulemaking authority. The Director may adopt reasonable rules as necessary to implement the purposes and provisions of this Article.

(215 ILCS 5/123C-28 new)

Sec. 123C-28. Confidentiality.

A. Any information filed by an applicant or captive insurance company under this Article is confidential and privileged for all purposes, including for purposes of the Freedom of Information Act, a response to a subpoena, or evidence in a civil action. Except as provided by subsections B and C of this Section, the information may not be disclosed without the prior written consent of the applicant or captive insurance company to which the information pertains.

B. If the recipient of the information described by subsection A of this Section has the legal authority to maintain the confidential or privileged status of the information and verifies that authority in writing, the Director or his or her designee may disclose the information to any of the following entities functioning in an official capacity:

(1) a director of insurance or an insurance department of another state;

(2) an authorized law enforcement official;

(3) a State's Attorney of this State;

(4) the Attorney General;

(5) a grand jury;

(6) the National Association of Insurance Commissioners if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Article VIII 1/2 of this Code;

(7) another state or federal regulator if the applicant or captive insurance company to which the information relates operates in the entity's jurisdiction;

(8) an international insurance regulator or analogous financial agency if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Article VIII 1/2 of this Code and the holding company system operates in the entity's jurisdiction; or

(9) members of a supervisory college described by Section 131.20c of this Code, if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Article VIII 1/2 of this Code.

C. The Director may use information described by subsection A of this Section in the furtherance of a legal or regulatory action relating to the administration of this Code.

(215 ILCS 5/123C-4 rep.)

Section 10. The Illinois Insurance Code is amended by repealing Section 123C-4.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 3 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Mulroe, **Senate Bill No. 1286** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Righter |
| Anderson | Fowler | McCarter | Rooney |
| Aquino | Harmon | McConchie | Rose |
| Barickman | Harris | McConnaughay | Sandoval |
| Bennett | Hastings | McGuire | Schimpf |
| Bertino-Tarrant | Holmes | Morrison | Stadelman |
| Biss | Hunter | Mulroe | Steans |
| Brady | Hutchinson | Muñoz | Syverson |
| Bush | Koehler | Murphy | Tracy |
| Castro | Landek | Nybo | Trotter |
| Clayborne | Lightford | Oberweis | Van Pelt |
| Collins | Link | Radogno | Weaver |
| Connelly | Manar | Raoul | Mr. President |
| Cullerton, T. | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Rezin, **Senate Bill No. 1290** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Harmon | McCarter | Rooney |
| Anderson | Harris | McConchie | Rose |
| Barickman | Hastings | McConnaughay | Sandoval |
| Bennett | Holmes | McGuire | Schimpf |

| | | | |
|---|---|---|---|
| Biss | Hunter | Morrison | Stadelman |
| Bivins | Hutchinson | Mulroe | Steans |
| Brady | Koehler | Murphy | Syverson |
| Bush | Landek | Nybo | Tracy |
| Castro | Lightford | Oberweis | Trotter |
| Clayborne | Link | Radogno | Van Pelt |
| Collins | Manar | Raoul | Weaver |
| Cunningham | Martinez | Rezin | Mr. President |
| Fowler | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

## SENATE BILL RECALLED

On motion of Senator Hutchinson, **Senate Bill No. 1294** was recalled from the order of third reading to the order of second reading.

Senator Hutchinson offered the following amendment and moved its adoption:

## AMENDMENT NO. 2 TO SENATE BILL 1294

AMENDMENT NO. 2. Amend Senate Bill 1294, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Industrial Hemp Act.

Section 5. Definitions. In this Act:

"Department" means the Department of Agriculture.

"Director" means the Director of Agriculture.

"Industrial hemp" means the plant Cannabis sativa L. and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis that has been cultivated under a license issued under this Act.

Section 10. Licenses.

(a) A person desiring to cultivate industrial hemp shall be licensed by the Department.

(b) The application for a license shall include the name and address of the applicant and the legal description of the land area, including Global Positioning System coordinates, to be used to cultivate industrial hemp.

(c) The Department may determine, by rule, the duration of a license and the requirements for license renewal.

Section 15. Rules.

(a) The application and licensing requirements shall be determined by the Department and set by rule within 240 days of the effective date of this Act.

(b) The rules set by the Department shall include one yearly inspection and one yearly surprise inspection of a licensed industrial hemp cultivation operation.

(c) The Department shall adopt rules necessary for the administration and enforcement of this Act, including rules concerning standards and criteria for licensure, for the payment of applicable fees, signage, and for forms required for the administration of this Act.

Section 17. Administrative hearings. Administrative hearings involving licensees under the Act shall be conducted under the Department of Agriculture's rules governing formal administrative proceedings.

Section 18. Industrial Hemp Regulatory Fund. There is created in the State treasury a special fund to be known as the Industrial Hemp Regulatory Fund. All fees and fines collected by the Department under this Act shall be deposited into the Fund. Monies in the Fund shall be utilized by the Department for the purposes of implementation, administration, and enforcement of this Act.

Section 19. Immunity. A person employed by the Department shall not be subject to criminal or civil penalties for taking any action under this Act when the actions are within the scope of his or her employment. Representation and indemnification of Department employees shall be provided to Department employees as set forth in Section 2 of the State Employee Indemnification Act.

Section 20. Hemp products. Nothing in this Act shall alter the legality of hemp or hemp products that are presently legal to possess or own. To the extent that the Compassionate Use of Medical Cannabis Pilot Program Act, and its rules, regulate products marketed as CBD medicinal products, that Act and its rules control the production and sale of those products.

Section 25. Violation of federal law. Nothing in this Act shall be construed to authorize any person to violate federal rules, regulations, or laws. If any part of this Act conflicts with a provision of the federal laws regarding industrial hemp, the federal provisions shall control to the extent of the conflict.

Section 30. Home rule. The regulation and licensing of persons to grow, cultivate, process, possess, sell, or purchase industrial hemp or industrial hemp related products are exclusive powers and functions of the State. These powers and functions shall not be exercised concurrently, either directly or indirectly, by any unit of local government, including home rule units, except as otherwise provided in this Act. This Section is a limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

Section 895. The State Finance Act is amended by adding Section 5.878 as follows:
(30 ILCS 105/5.878 new)
Sec. 5.878. The Industrial Hemp Regulatory Fund.

Section 900. The Illinois Noxious Weed Law is amended by changing Section 2 as follows:
(505 ILCS 100/2) (from Ch. 5, par. 952)
Sec. 2. As used in this Act:
(1) "Person" means any individual, partnership, firm, corporation, company, society, association, the State or any department, agency, or subdivision thereof, or any other entity.
(2) "Control", "controlled" or "controlling" includes being in charge of or being in possession, whether as owner, lessee, renter, or tenant, under statutory authority, or otherwise.
(3) "Director" means the Director of the Department of Agriculture of the State of Illinois, or his or her duly appointed representative.
(4) "Department" means the Department of Agriculture of the State of Illinois.
(5) "Noxious weed" means any plant which is determined by the Director, the Dean of the College of Agricultural, Consumer and Environmental Sciences of the University of Illinois and the Director of the Agricultural Experiment Station at the University of Illinois, to be injurious to public health, crops, livestock, land or other property. "Noxious weed" does not include industrial hemp as defined and authorized under the Industrial Hemp Act.
(6) "Control Authority" means the governing body of each county, and shall represent all rural areas and cities, villages and townships within the county boundaries.
(7) "Applicable fund" means the fund current at the time the work is performed or the money is received.
(Source: P.A. 99-539, eff. 7-8-16.)

Section 905. The Cannabis Control Act is amended by changing Sections 3 and 8 as follows:
(720 ILCS 550/3) (from Ch. 56 1/2, par. 703)
Sec. 3. As used in this Act, unless the context otherwise requires:
(a) "Cannabis" includes marihuana, hashish and other substances which are identified as including any parts of the plant Cannabis Sativa, whether growing or not; the seeds thereof, the resin extracted from any part of such plant; and any compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other cannabinol derivatives, including its naturally occurring or synthetically produced ingredients, whether produced directly or indirectly by extraction, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the

sterilized seed of such plant which is incapable of germination. "Cannabis" does not include industrial hemp as defined and authorized under the Industrial Hemp Act.

(b) "Casual delivery" means the delivery of not more than 10 grams of any substance containing cannabis without consideration.

(c) "Department" means the Illinois Department of Human Services (as successor to the Department of Alcoholism and Substance Abuse) or its successor agency.

(d) "Deliver" or "delivery" means the actual, constructive or attempted transfer of possession of cannabis, with or without consideration, whether or not there is an agency relationship.

(e) "Department of State Police" means the Department of State Police of the State of Illinois or its successor agency.

(f) "Director" means the Director of the Department of State Police or his designated agent.

(g) "Local authorities" means a duly organized State, county, or municipal peace unit or police force.

(h) "Manufacture" means the production, preparation, propagation, compounding, conversion or processing of cannabis, either directly or indirectly, by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of cannabis or labeling of its container, except that this term does not include the preparation, compounding, packaging, or labeling of cannabis as an incident to lawful research, teaching, or chemical analysis and not for sale.

(i) "Person" means any individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other entity.

(j) "Produce" or "production" means planting, cultivating, tending or harvesting.

(k) "State" includes the State of Illinois and any state, district, commonwealth, territory, insular possession thereof, and any area subject to the legal authority of the United States of America.

(l) "Subsequent offense" means an offense under this Act, the offender of which, prior to his conviction of the offense, has at any time been convicted under this Act or under any laws of the United States or of any state relating to cannabis, or any controlled substance as defined in the Illinois Controlled Substances Act.

(Source: P.A. 89-507, eff. 7-1-97.)

(720 ILCS 550/8) (from Ch. 56 1/2, par. 708)

Sec. 8. It is unlawful for any person knowingly to produce the cannabis sativa plant or to possess such plants unless production or possession has been authorized pursuant to the provisions of Section 11 ~~or 15.2~~ of the Act. Any person who violates this Section with respect to production or possession of:

(a) Not more than 5 plants is guilty of a Class A misdemeanor.

(b) More than 5, but not more than 20 plants, is guilty of a Class 4 felony.

(c) More than 20, but not more than 50 plants, is guilty of a Class 3 felony.

(d) More than 50, but not more than 200 plants, is guilty of a Class 2 felony for which a fine not to exceed $100,000 may be imposed and for which liability for the cost of conducting the investigation and eradicating such plants may be assessed. Compensation for expenses incurred in the enforcement of this provision shall be transmitted to and deposited in the treasurer's office at the level of government represented by the Illinois law enforcement agency whose officers or employees conducted the investigation or caused the arrest or arrests leading to the prosecution, to be subsequently made available to that law enforcement agency as expendable receipts for use in the enforcement of laws regulating controlled substances and cannabis. If such seizure was made by a combination of law enforcement personnel representing different levels of government, the court levying the assessment shall determine the allocation of such assessment. The proceeds of assessment awarded to the State treasury shall be deposited in a special fund known as the Drug Traffic Prevention Fund.

(e) More than 200 plants is guilty of a Class 1 felony for which a fine not to exceed $100,000 may be imposed and for which liability for the cost of conducting the investigation and eradicating such plants may be assessed. Compensation for expenses incurred in the enforcement of this provision shall be transmitted to and deposited in the treasurer's office at the level of government represented by the Illinois law enforcement agency whose officers or employees conducted the investigation or caused the arrest or arrests leading to the prosecution, to be subsequently made available to that law enforcement agency as expendable receipts for use in the enforcement of laws regulating controlled substances and cannabis. If such seizure was made by a combination of law enforcement personnel representing different levels of government, the court levying the assessment shall determine the allocation of such assessment. The proceeds of assessment awarded to the State treasury shall be deposited in a special fund known as the Drug Traffic Prevention Fund.

(Source: P.A. 98-1072, eff. 1-1-15.)

(720 ILCS 550/15.2 rep.)

Section 910. The Cannabis Control Act is amended by repealing Section 15.2.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Hutchinson, **Senate Bill No. 1294** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | Martinez | Righter |
| Anderson | Cunningham | McCann | Rooney |
| Aquino | Fowler | McConchie | Rose |
| Barickman | Harmon | McConnaughay | Sandoval |
| Bennett | Harris | McGuire | Schimpf |
| Bertino-Tarrant | Hastings | Morrison | Stadelman |
| Biss | Holmes | Mulroe | Steans |
| Bivins | Hunter | Muñoz | Syverson |
| Brady | Hutchinson | Murphy | Tracy |
| Bush | Koehler | Nybo | Trotter |
| Castro | Landek | Oberweis | Van Pelt |
| Clayborne | Lightford | Radogno | Weaver |
| Collins | Link | Raoul | Mr. President |
| Connelly | Manar | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Anderson, **Senate Bill No. 1304** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None; Present 1.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | Martinez | Rooney |
| Anderson | Cunningham | McCann | Rose |
| Aquino | Fowler | McCarter | Sandoval |
| Barickman | Harmon | McConchie | Schimpf |
| Bennett | Harris | McConnaughay | Stadelman |
| Bertino-Tarrant | Hastings | McGuire | Steans |
| Biss | Holmes | Morrison | Syverson |
| Bivins | Hunter | Mulroe | Tracy |
| Brady | Hutchinson | Muñoz | Trotter |
| Bush | Koehler | Nybo | Van Pelt |

| | | | |
|---|---|---|---|
| Castro | Landek | Radogno | Weaver |
| Clayborne | Lightford | Raoul | Mr. President |
| Collins | Link | Rezin | |
| Connelly | Manar | Righter | |

The following voted present:

Oberweis

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Muñoz, **Senate Bill No. 1312** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCann | Rooney |
| Anderson | Fowler | McCarter | Rose |
| Aquino | Harmon | McConchie | Sandoval |
| Barickman | Harris | McConnaughay | Schimpf |
| Bennett | Hastings | McGuire | Stadelman |
| Biss | Holmes | Morrison | Steans |
| Bivins | Hunter | Mulroe | Syverson |
| Brady | Hutchinson | Muñoz | Tracy |
| Bush | Koehler | Murphy | Trotter |
| Castro | Landek | Oberweis | Van Pelt |
| Clayborne | Lightford | Radogno | Weaver |
| Collins | Link | Raoul | Mr. President |
| Connelly | Manar | Rezin | |
| Cullerton, T. | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Connelly, **Senate Bill No. 1321** having been transcribed and typed and all amendments adopted thereto having been printed, 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 55; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Righter |
| Anderson | Cunningham | McCarter | Rooney |
| Aquino | Fowler | McConchie | Rose |
| Barickman | Harmon | McConnaughay | Sandoval |
| Bennett | Harris | McGuire | Schimpf |

| | | | |
|---|---|---|---|
| Bertino-Tarrant | Hastings | Morrison | Stadelman |
| Biss | Holmes | Mulroe | Steans |
| Bivins | Hunter | Muñoz | Syverson |
| Brady | Hutchinson | Murphy | Tracy |
| Bush | Koehler | Nybo | Trotter |
| Castro | Lightford | Oberweis | Van Pelt |
| Clayborne | Link | Radogno | Weaver |
| Collins | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Steans, **Senate Bill No. 1322** was recalled from the order of third reading to the order of second reading.

Senator Steans offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 1322**

AMENDMENT NO. 1. Amend Senate Bill 1322 by replacing everything after the enacting clause with the following:

"Section 5. The Specialized Mental Health Rehabilitation Act of 2013 is amended by changing Sections 1-101.5, 1-102, 2-103, 4-105, and 4-108.5 and by adding Section 4-104.5 as follows:

(210 ILCS 49/1-101.5)

Sec. 1-101.5. Prior law.

(a) This Act provides for licensure of long term care facilities that are federally designated as institutions for the mentally diseased on the effective date of this Act and specialize in providing services to individuals with a serious mental illness. On and after the effective date of this Act, these facilities shall be governed by this Act instead of the Nursing Home Care Act. The existence of a current or pending administrative hearing, notice of violation, or other enforcement action, except for a pending notice of revocation, authorized under the Nursing Home Care Act shall not be a barrier to the provisional licensure of a facility under this Act. Provisional licensure under this Act shall not relieve a facility from the responsibility for the payment of any past, current, or future fines or penalties, or for any other enforcement remedy, imposed upon the facility under the Nursing Home Care Act.

(b) All consent decrees that apply to facilities federally designated as institutions for the mentally diseased shall continue to apply to facilities licensed under this Act.

(c) A facility licensed under this Act may voluntarily close, and the facility may reopen in an underserved region of the State, if the facility receives a certificate of need from the Health Facilities and Services Review Board. At no time shall the total number of licensed beds under this Act exceed the total number of licensed beds existing on July 22, 2013 (the effective date of Public Act 98-104).

(Source: P.A. 98-104, eff. 7-22-13; 98-651, eff. 6-16-14.)

(210 ILCS 49/1-102)

Sec. 1-102. Definitions. For the purposes of this Act, unless the context otherwise requires:

"Abuse" means any physical or mental injury or sexual assault inflicted on a consumer other than by accidental means in a facility.

"Accreditation" means any of the following:

(1) the Joint Commission;

(2) the Commission on Accreditation of Rehabilitation Facilities;

(3) the Healthcare Facilities Accreditation Program; or

(4) any other national standards of care as approved by the Department.

"Applicant" means any person making application for a license or a provisional license under this Act.

"Consumer" means a person, 18 years of age or older, admitted to a mental health rehabilitation facility for evaluation, observation, diagnosis, treatment, stabilization, recovery, and rehabilitation.

"Consumer" does not mean any of the following:

(i) an individual requiring a locked setting;

(ii) an individual requiring psychiatric hospitalization because of an acute psychiatric crisis;

(iii) an individual under 18 years of age;

(iv) an individual who is actively suicidal or violent toward others;

(v) an individual who has been found unfit to stand trial;

(vi) an individual who has been found not guilty by reason of insanity based on committing a violent act, such as sexual assault, assault with a deadly weapon, arson, or murder;

(vii) an individual subject to temporary detention and examination under Section 3-607 of the Mental Health and Developmental Disabilities Code;

(viii) an individual deemed clinically appropriate for inpatient admission in a State psychiatric hospital; and

(ix) an individual transferred by the Department of Corrections pursuant to Section 3-8-5 of the Unified Code of Corrections.

"Consumer record" means a record that organizes all information on the care, treatment, and rehabilitation services rendered to a consumer in a specialized mental health rehabilitation facility.

"Controlled drugs" means those drugs covered under the federal Comprehensive Drug Abuse Prevention Control Act of 1970, as amended, or the Illinois Controlled Substances Act.

"Department" means the Department of Public Health.

"Discharge" means the full release of any consumer from a facility.

"Drug administration" means the act in which a single dose of a prescribed drug or biological is given to a consumer. The complete act of administration entails removing an individual dose from a container, verifying the dose with the prescriber's orders, giving the individual dose to the consumer, and promptly recording the time and dose given.

"Drug dispensing" means the act entailing the following of a prescription order for a drug or biological and proper selection, measuring, packaging, labeling, and issuance of the drug or biological to a consumer.

"Emergency" means a situation, physical condition, or one or more practices, methods, or operations which present imminent danger of death or serious physical or mental harm to consumers of a facility.

"Facility" means a specialized mental health rehabilitation facility that provides at least one of the following services: (1) triage center; (2) crisis stabilization; (3) recovery and rehabilitation supports; or (4) transitional living units for 3 or more persons. The facility shall provide a 24-hour program that provides intensive support and recovery services designed to assist persons, 18 years or older, with mental disorders to develop the skills to become self-sufficient and capable of increasing levels of independent functioning. It includes facilities that meet the following criteria:

(1) 100% of the consumer population of the facility has a diagnosis of serious mental illness;

(2) no more than 15% of the consumer population of the facility is 65 years of age or older;

(3) none of the consumers are non-ambulatory;

(4) none of the consumers have a primary diagnosis of moderate, severe, or profound intellectual disability; and

(5) the facility must have been licensed under the Specialized Mental Health Rehabilitation Act or the Nursing Home Care Act immediately preceding July 22, 2013 (the effective date of this Act) and qualifies as an ~~a~~ institute for mental disease under the federal definition of the term.

"Facility" does not include the following:

(1) a home, institution, or place operated by the federal government or agency thereof, or by the State of Illinois;

(2) a hospital, sanitarium, or other institution whose principal activity or business is the diagnosis, care, and treatment of human illness through the maintenance and operation as organized facilities therefor which is required to be licensed under the Hospital Licensing Act;

(3) a facility for child care as defined in the Child Care Act of 1969;

(4) a community living facility as defined in the Community Living Facilities Licensing Act;

(5) a nursing home or sanatorium operated solely by and for persons who rely exclusively upon treatment by spiritual means through prayer, in accordance with the creed or tenets of any well-recognized church or religious denomination; however, such nursing home or sanatorium shall comply with all local laws and rules relating to sanitation and safety;

(6) a facility licensed by the Department of Human Services as a community-integrated

living arrangement as defined in the Community-Integrated Living Arrangements Licensure and Certification Act;

(7) a supportive residence licensed under the Supportive Residences Licensing Act;

(8) a supportive living facility in good standing with the program established under Section 5-5.01a of the Illinois Public Aid Code, except only for purposes of the employment of persons in accordance with Section 3-206.01 of the Nursing Home Care Act;

(9) an assisted living or shared housing establishment licensed under the Assisted Living and Shared Housing Act, except only for purposes of the employment of persons in accordance with Section 3-206.01 of the Nursing Home Care Act;

(10) an Alzheimer's disease management center alternative health care model licensed under the Alternative Health Care Delivery Act;

(11) a home, institution, or other place operated by or under the authority of the Illinois Department of Veterans' Affairs;

(12) a facility licensed under the ID/DD Community Care Act;

(13) a facility licensed under the Nursing Home Care Act after July 22, 2013 (the effective date of this Act); or

(14) a facility licensed under the MC/DD Act.

"Executive director" means a person who is charged with the general administration and supervision of a facility licensed under this Act and who is a licensed nursing home administrator, licensed practitioner of the healing arts, or qualified mental health professional.

"Guardian" means a person appointed as a guardian of the person or guardian of the estate, or both, of a consumer under the Probate Act of 1975.

"Identified offender" means a person who meets any of the following criteria:

(1) Has been convicted of, found guilty of, adjudicated delinquent for, found not guilty by reason of insanity for, or found unfit to stand trial for, any felony offense listed in Section 25 of the Health Care Worker Background Check Act, except for the following:

(i) a felony offense described in Section 10-5 of the Nurse Practice Act;

(ii) a felony offense described in Section 4, 5, 6, 8, or 17.02 of the Illinois Credit Card and Debit Card Act;

(iii) a felony offense described in Section 5, 5.1, 5.2, 7, or 9 of the Cannabis Control Act;

(iv) a felony offense described in Section 401, 401.1, 404, 405, 405.1, 407, or 407.1 of the Illinois Controlled Substances Act; and

(v) a felony offense described in the Methamphetamine Control and Community Protection Act.

(2) Has been convicted of, adjudicated delinquent for, found not guilty by reason of insanity for, or found unfit to stand trial for, any sex offense as defined in subsection (c) of Section 10 of the Sex Offender Management Board Act.

"Transitional living units" are residential units within a facility that have the purpose of assisting the consumer in developing and reinforcing the necessary skills to live independently outside of the facility. The duration of stay in such a setting shall not exceed 120 days for each consumer. Nothing in this definition shall be construed to be a prerequisite for transitioning out of a facility.

"Licensee" means the person, persons, firm, partnership, association, organization, company, corporation, or business trust to which a license has been issued.

"Misappropriation of a consumer's property" means the deliberate misplacement, exploitation, or wrongful temporary or permanent use of a consumer's belongings or money without the consent of a consumer or his or her guardian.

"Neglect" means a facility's failure to provide, or willful withholding of, adequate medical care, mental health treatment, psychiatric rehabilitation, personal care, or assistance that is necessary to avoid physical harm and mental anguish of a consumer.

"Personal care" means assistance with meals, dressing, movement, bathing, or other personal needs, maintenance, or general supervision and oversight of the physical and mental well-being of an individual who is incapable of maintaining a private, independent residence or who is incapable of managing his or her person, whether or not a guardian has been appointed for such individual. "Personal care" shall not be construed to confine or otherwise constrain a facility's pursuit to develop the skills and abilities of a consumer to become self-sufficient and capable of increasing levels of independent functioning.

"Recovery and rehabilitation supports" means a program that facilitates a consumer's longer-term symptom management and stabilization while preparing the consumer for transitional living units by

improving living skills and community socialization. The duration of stay in such a setting shall be established by the Department by rule.

"Restraint" means:

(i) a physical restraint that is any manual method or physical or mechanical device, material, or equipment attached or adjacent to a consumer's body that the consumer cannot remove easily and restricts freedom of movement or normal access to one's body; devices used for positioning, including, but not limited to, bed rails, gait belts, and cushions, shall not be considered to be restraints for purposes of this Section; or

(ii) a chemical restraint that is any drug used for discipline or convenience and not required to treat medical symptoms; the Department shall, by rule, designate certain devices as restraints, including at least all those devices that have been determined to be restraints by the United States Department of Health and Human Services in interpretive guidelines issued for the purposes of administering Titles XVIII and XIX of the federal Social Security Act. For the purposes of this Act, restraint shall be administered only after utilizing a coercive free environment and culture.

"Self-administration of medication" means consumers shall be responsible for the control, management, and use of their own medication.

"Crisis stabilization" means a secure and separate unit that provides short-term behavioral, emotional, or psychiatric crisis stabilization as an alternative to hospitalization or re-hospitalization for consumers from residential or community placement. The duration of stay in such a setting shall not exceed 21 days for each consumer.

"Therapeutic separation" means the removal of a consumer from the milieu to a room or area which is designed to aid in the emotional or psychiatric stabilization of that consumer.

"Triage center" means a non-residential 23-hour center that serves as an alternative to emergency room care, hospitalization, or re-hospitalization for consumers in need of short-term crisis stabilization. Consumers may access a triage center from a number of referral sources, including family, emergency rooms, hospitals, community behavioral health providers, federally qualified health providers, or schools, including colleges or universities. A triage center may be located in a building separate from the licensed location of a facility, but shall not be more than 1,000 feet from the licensed location of the facility and must meet all of the facility standards applicable to the licensed location. If the triage center does operate in a separate building, safety personnel shall be provided, on site, 24 hours per day and the triage center shall meet all other staffing requirements without counting any staff employed in the main facility building.
(Source: P.A. 98-104, eff. 7-22-13; 98-651, eff. 6-16-14; 99-180, eff. 7-29-15; revised 9-8-16.)

(210 ILCS 49/2-103)

Sec. 2-103. Staff training. Training for all new employees specific to the various levels of care offered by a facility shall be provided to employees during their orientation period and annually thereafter. Training shall be independent of the Department and overseen by the Division of Mental Health to determine the content of all facility employee training and to provide training for all trainers of facility employees. Training of employees shall be consistent with nationally recognized national accreditation standards as defined later in this Act. Training of existing staff of a recovery and rehabilitation support center shall be conducted in accordance with, and on the schedule provided in, the staff training plan approved by the Division of Mental Health. Training of existing staff for any other level of care licensed under this Act, including triage, crisis stabilization, and transitional living shall be completed at a facility prior to the implementation of that level of care. Training shall be required for all existing staff at a facility prior to the implementation of any new services authorized under this Act.
(Source: P.A. 98-104, eff. 7-22-13.)

(210 ILCS 49/4-104.5 new)

Sec. 4-104.5. Waiver of compliance. Upon application by a facility, the Director may grant or renew the waiver of the facility's compliance with a rule or standard for a period not to exceed the duration of the current license or, in the case of an application for license renewal, the duration of the renewal period. The waiver may be conditioned upon the facility taking action prescribed by the Director as a measure equivalent to compliance. In determining whether to grant or renew a waiver, the Director shall consider the duration and basis for any current waiver with respect to the same rule or standard and the validity and effect upon patient health and safety of extending it on the same basis, the effect upon the health and safety of consumers, the quality of consumer care, the facility's history of compliance with the rules and standards of this Act and the facility's attempts to comply with the particular rule or standard in question. Upon request by a facility, the Department must evaluate or allow for an evaluation of compliance with the Life Safety Code using the Fire Safety Evaluation System. In determining whether to grant or renew a waiver of a standard pertaining to Chapter 33 of the National Fire Protection Association (NFPA) 101 Life Safety Code, the Director shall use Fire Safety Evaluation Systems in determining whether to grant or renew the

waiver. The Department may provide, by rule, for the automatic renewal of waivers concerning physical plant requirements upon the renewal of a license. The Department shall renew waivers relating to physical plant standards issued in accordance with this Section at the time of the indicated reviews, unless it can show why such waivers should not be extended for either of the following reasons:

(1) the condition of the physical plant has deteriorated or its use substantially changed so that the basis upon which the waiver was issued is materially different; or

(2) the facility is renovated or substantially remodeled in such a way as to permit compliance with the applicable rules and standards without a substantial increase in cost.

A copy of each waiver application and each waiver granted or renewed shall be on file with the Department and available for public inspection.

No penalty or fine may be assessed for a condition for which the facility has received a variance or waiver of a standard.

Waivers granted to a facility by the Department under any other law shall not be considered by the Department in its determination of a facility's compliance with the requirements of this Act, including, but not limited to, compliance with the Life Safety Code.

(210 ILCS 49/4-105)

Sec. 4-105. Provisional licensure duration. A provisional license shall be valid upon fulfilling the requirements established by the Department by emergency rule. The license shall remain valid as long as a facility remains in compliance with the licensure provisions established in rule. Provisional licenses issued upon initial licensure as a specialized mental health rehabilitation facility shall expire at the end of a 3-year period, which commences on the date the provisional license is issued. Issuance of a provisional license for any reason other than initial licensure (including, but not limited to, change of ownership, location, number of beds, or services) shall not extend the maximum 3-year period, at the end of which a facility must be licensed pursuant to Section 4-201. Notwithstanding any other provision of this Act or the Specialized Mental Health Rehabilitation Facilities Code, 77 Ill. Admin. Code 380, to the contrary, if a facility has received notice from the Department that its application for provisional licensure to provide recovery and rehabilitation services has been accepted as complete and the facility has attested in writing to the Department that it will comply with the staff training plan approved by the Division of Mental Health, then a provisional license for recovery and rehabilitation services shall be issued to the facility within 60 days after the Department determines that the facility is in compliance with the requirements of the Life Safety Code in accordance with Section 4-104.5 of this Act.

(Source: P.A. 98-104, eff. 7-22-13; 99-712, eff. 8-5-16.)

(210 ILCS 49/4-108.5)

Sec. 4-108.5. Provisional licensure period; surveys. During the provisional licensure period, the Department shall conduct surveys to determine compliance with timetables and benchmarks with a facility's provisional licensure application plan of operation. Timetables and benchmarks shall be established in rule and shall include, but not be limited to, the following: (1) training of new and existing staff; (2) establishment of a data collection and reporting program for the facility's Quality Assessment and Performance Improvement Program; and (3) compliance with building environment standards beyond compliance with Chapter 33 of the National Fire Protection Association (NFPA) 101 Life Safety Code. Waivers granted by the Department in accordance with Section 4-104.5 of this Act shall be considered by the Department in its determination of the facility's compliance with the Life Safety Code.

During the provisional licensure period, the Department shall conduct State licensure surveys as well as a conformance standard review to determine compliance with timetables and benchmarks associated with the accreditation process. Timetables and benchmarks shall be met in accordance with the preferred accrediting organization conformance standards and recommendations and shall include, but not be limited to, conducting a comprehensive facility self-evaluation in accordance with an established national accreditation program. The facility shall submit all data reporting and outcomes required by accrediting organization to the Department of Public Health for review to determine progress towards accreditation. Accreditation status shall supplement but not replace the State's licensure surveys of facilities licensed under this Act and their certified programs and services to determine the extent to which these facilities provide high quality interventions, especially evidence-based practices, appropriate to the assessed clinical needs of individuals in the 4 certified levels of care.

Except for incidents involving the potential for harm, serious harm, death, or substantial facility failure to address a serious systemic issue within 60 days, findings of the facility's root cause analysis of problems and the facility's Quality Assessment and Performance Improvement program in accordance with item (22) of Section 4-104 shall not be used as a basis for non-compliance.

The Department shall have the authority to hire licensed practitioners of the healing arts and qualified mental health professionals to consult with and participate in survey and inspection activities.

(Source: P.A. 98-651, eff. 6-16-14.)

Section 99. Effective date. This Act takes effect July 1, 2017.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Steans, **Senate Bill No. 1322** having been transcribed and typed and all amendments adopted thereto having been printed, 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 56; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rose |
| Anderson | Fowler | McConchie | Sandoval |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Harris | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |
| Cullerton, T. | McCann | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Biss, **Senate Bill No. 1347**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Pending roll call, on motion of Senator Biss, further consideration of **Senate Bill No. 1347** was postponed.

At the hour of 1:51 o'clock p.m., Senator Muñoz, presiding.

On motion of Senator Steans, **Senate Bill No. 1353** having been transcribed and typed and all amendments adopted thereto having been printed, 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 35; NAYS 18.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Aquino | Harmon | Link | Raoul |
| Bennett | Harris | Manar | Sandoval |
| Bertino-Tarrant | Hastings | Martinez | Stadelman |
| Biss | Holmes | McCann | Steans |
| Bush | Hunter | McGuire | Tracy |
| Castro | Hutchinson | Morrison | Trotter |
| Collins | Koehler | Mulroe | Van Pelt |
| Cullerton, T. | Landek | Muñoz | Mr. President |
| Cunningham | Lightford | Murphy | |

The following voted in the negative:

| | | | |
|---|---|---|---|
| Althoff | Fowler | Oberweis | Schimpf |
| Barickman | McCarter | Radogno | Syverson |
| Bivins | McConchie | Righter | Weaver |
| Brady | McConnaughay | Rooney | |
| Connelly | Nybo | Rose | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

Senator Tracy asked and obtained unanimous consent for the Journal to reflect her intention to have voted in the negative on **Senate Bill No. 1353**.

On motion of Senator McConnaughay, **Senate Bill No. 1373** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harris | McConnaughay | Sandoval |
| Barickman | Hastings | McGuire | Schimpf |
| Bennett | Holmes | Morrison | Stadelman |
| Bertino-Tarrant | Hunter | Mulroe | Steans |
| Biss | Hutchinson | Muñoz | Syverson |
| Bivins | Koehler | Murphy | Tracy |
| Brady | Landek | Nybo | Trotter |
| Bush | Lightford | Oberweis | Van Pelt |
| Castro | Link | Radogno | Weaver |
| Collins | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |
| Cunningham | McCarter | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator McConnaughay, **Senate Bill No. 1376** having been transcribed and typed and all amendments adopted thereto having been printed, 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 54; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harris | McConnaughay | Sandoval |
| Barickman | Hastings | McGuire | Schimpf |
| Bennett | Holmes | Morrison | Stadelman |
| Bertino-Tarrant | Hunter | Mulroe | Steans |
| Biss | Hutchinson | Muñoz | Syverson |
| Bivins | Koehler | Murphy | Tracy |
| Brady | Landek | Nybo | Trotter |
| Bush | Lightford | Oberweis | Van Pelt |
| Castro | Link | Radogno | Weaver |
| Collins | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

## SENATE BILL RECALLED

On motion of Senator Mulroe, **Senate Bill No. 1400** was recalled from the order of third reading to the order of second reading.

Senator Mulroe offered the following amendment and moved its adoption:

### AMENDMENT NO. 1 TO SENATE BILL 1400

AMENDMENT NO. 1. Amend Senate Bill 1400 on page 52, by deleting line 12 through line 18; and

on page 57, by deleting line 14 through line 20; and

on page 58, by replacing lines 17 and 18 with "12-15, 12-16, 12-19, 12-20.5, 12-21, 12-21.5, 12-21.6, 12-32, 12-33, 12C-5, 12C-10, 16-1, 16-1.3, 16-25, 16A-3, 17-3,"

on page 58, line 20, after "24-1.8,", by inserting "24-3.8,"; and

on page 59, by replacing line 5 with "Act; subsection (a) of Sections 3.01, Section 3.02, or Section 3.03 of the Humane Care for Animals Act;"; and

on page 61, line 3, by replacing "property" with "property,"; and

on page 61, lines 3 and 4, by deleting "or any other applicable finding set forth by rule that is"; and

on page 61, immediately below line 13, by inserting the following:

"(e) A health care employer shall not hire, employ, or retain, whether paid or on a volunteer basis, any individual in a position with duties involving direct care of clients, patients, or residents who has a finding by the Department of Human Services of physical or sexual abuse, financial exploitation, or egregious neglect of an individual denoted on the Health Care Worker Registry."; and

by replacing line 21 on page 62 through line 4 of page 63 with the "employee has abused or neglected a resident or misappropriated property of a resident, then the Department shall notify the employee or individual of this finding by certified mail sent to the address contained in the Health Care Worker Registry. The notice shall give the employee or individual an opportunity to contest the finding in a hearing before the Department or to submit a written response to the findings in lieu of requesting a hearing. As used in this subsection, "abuse" and "neglect" shall have the meanings provided in the Nursing Home Care Act, except that the term "resident" as used in those definitions shall have the meaning provided in this Act. As used in this subsection, "misappropriate property of a resident" shall have the meaning provided to "misappropriation of a resident's property" in the Nursing Home Care Act, except that the term "resident" as used in that definition shall have the meaning provided in this Act."; and

on page 66, by deleting line 17 through line 20; and

by deleting line 25 on page 66 through line 5 on page 67; and

on page 67, line 6, by replacing "(d)" with "(c)"; and

on page 67, line 8, by replacing "(e)" with "(d)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Mulroe, **Senate Bill No. 1400** having been transcribed and typed and all amendments adopted thereto having been printed, 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 56; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rose |
| Anderson | Fowler | McConchie | Sandoval |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Harris | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |
| Cullerton, T. | McCann | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Connelly, **Senate Bill No. 1409** having been transcribed and typed and all amendments adopted thereto having been printed, 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 56; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rose |
| Anderson | Fowler | McConchie | Sandoval |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Harris | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |
| Cullerton, T. | McCann | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Connelly, **Senate Bill No. 1410** having been transcribed and typed and all amendments adopted thereto having been printed, 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 56; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rose |
| Anderson | Fowler | McConchie | Sandoval |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Harris | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |
| Cullerton, T. | McCann | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Biss, **Senate Bill No. 1424**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Pending roll call, on motion of Senator Biss, further consideration of **Senate Bill No. 1424** was postponed.

**MESSAGE FROM THE PRESIDENT**

**OFFICE OF THE SENATE PRESIDENT**
**STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

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

May 4, 2017

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator John Mulroe to temporarily replace Senator Ira Silverstein as a member of the Senate Executive Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Executive Committee.

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

cc: Senate Minority Leader Christine Radogno

At the hour of 2:35 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 3:37 o'clock p.m., the Senate resumed consideration of business.
Senator Munóz, presiding.

**PRESENTATION OF RESOLUTION**

**SENATE RESOLUTION NO. 487**
Offered by Senator McCarter and all Senators:
Mourns the death of Sandra Hotz of Salem.

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

**REPORT FROM STANDING COMMITTEE**

Senator Harmon, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 3 to Senate Bill 31
Senate Amendment No. 1 to Senate Bill 1289

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

**READING BILLS OF THE SENATE A SECOND TIME**

On motion of Senator Mulroe, as chief co-sponsor pursuant to Senate Rule 5-1(b)(ii), **Senate Bill No. 1667** having been printed, was taken up, read by title a second time.

The following amendments were offered in the Committee on Judiciary, adopted and ordered printed:

**AMENDMENT NO. 1 TO SENATE BILL 1667**

AMENDMENT NO. 1. Amend Senate Bill 1667 on page 2, by deleting lines 18 through 22.

Senator Haine offered the following amendment and Senator Mulroe moved its adoption:

**AMENDMENT NO. 2 TO SENATE BILL 1667**

AMENDMENT NO. 2. Amend Senate Bill 1667 on page 1, by replacing line 5 with "Sections 6, 8, and 13 as follows:"; and

on page 2, immediately below line 23, by inserting the following:

"(215 ILCS 155/13) (from Ch. 73, par. 1413)

Sec. 13. Annual statement.

(a) Each title insurance company shall file with the Department during the month of March of each year, a statement under oath, of the condition of such company on the thirty-first day of December next preceding disclosing the assets, liabilities, earnings and expenses of the company. The report shall be in such form and shall contain such additional statements and information as to the affairs, business, and conditions of the company as the Secretary may from time to time prescribe or require.

(b) By June 1 of each year, a title insurance company must file with the Department a copy of its most recent audited financial statements.

(c) If determined to be necessary and appropriate by the Department, a title insurance company shall provide a summary describing its professional reinsurance placed outside of the title insurance industry.

(Source: P.A. 94-893, eff. 6-20-06.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments Numbered 1 and 2 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Biss, **Senate Bill No. 1719** having been printed, was taken up, read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

**AMENDMENT NO. 1 TO SENATE BILL 1719**

AMENDMENT NO. 1. Amend Senate Bill 1719 on page 2, line 21, after "Act,", by inserting "beginning on July 1, 2017,"; and

on page 2, line 23, by replacing "of 20%" with "at the rate of 20% of the fees earned from the investment strategy of the investment manager and not from the investment itself; the privilege tax shall be imposed"; and

on page 5, by deleting lines 7 through 10.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Rezin, **Senate Bill No. 1428** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McCarter | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator T. Cullerton, **Senate Bill No. 1434** was recalled from the order of third reading to the order of second reading.

Senator T. Cullerton offered the following amendment and moved its adoption:

**AMENDMENT NO. 2 TO SENATE BILL 1434**

AMENDMENT NO. 2. Amend Senate Bill 1434 on page 6, line 6, by replacing "subject to this Act" with "subject to tax under this Act"; and

on page 6, line 8, by replacing "Use Tax" with "tax".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator T. Cullerton, **Senate Bill No. 1434** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McCarter | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Mulroe, as chief co-sponsor pursuant to Senate Rule 5-1(b)(i), **Senate Bill No. 1444** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McConchie | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Holmes, **Senate Bill No. 1459** was recalled from the order of third reading to the order of second reading.

Senator Holmes offered the following amendment and moved its adoption:

**AMENDMENT NO. 2 TO SENATE BILL 1459**

AMENDMENT NO. 2 . Amend Senate Bill 1459 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Notary Public Act is amended by adding Section 1-105 as follows:

(5 ILCS 312/1-105 new)

Sec. 1-105. Notarization Task Force on Best Practices and Verification Standards to Implement Electronic Notarization.

(a) The General Assembly finds and declares that:

(1) As more and more citizens throughout the State of Illinois rely on electronic devices they also increasing depend on electronic documentation. Any assertion that e-mails or word processing documents are necessarily "informal and not legally binding" has been dispelled by national legislation such as the federal "E-Sign" law in 2000 and the Uniform Electronic Transactions Act, which has been virtually universally adopted throughout the United States. Increasingly, laws have bestowed upon electronic documents the same legal effect as paper instruments.

(2) Moreover, institutions, businesses, and commerce have gradually put more of their faith in electronic commerce and information technology in order to facilitate formal and informal interactions that are oftentimes mission-critical and sensitive. In order to meet the growing demand for electronic commerce that is both convenient and secure, understanding the processes and technology is critical and the need for an electronic or remote notarization - the process of notarizing a signature on an electronic document by electronic methods - is becoming a necessity.

(b) As used in this Section, "Task Force" means the Notarization Task Force on Best Practices and Verification Standards to Implement Electronic Notarization.

(c) There is created a Notarization Task Force on Best Practices and Verification Standards to Implement Electronic Notarization to review and report on national standards for best practices in relation to electronic notarization, including security concerns and fraud prevention. The goal of the Task Force is to investigate and provide recommendations on national and State initiatives to implement electronic notarization in such a manner that increases the availability to notary public services, protects consumers, and maintains the integrity of the notarization seal and signature.

(d) The Task Force's report shall include, but not be limited to, standards for an electronic signature, including encryption and decryption; the application process for electronic notarial commission; and the training of notaries on electronic notarization standards and best practices prior to the commission of an electronic notary's electronic signature. The report shall also evaluate and make a recommendation on fees for notary application and commission, on which documents and acts can be attested to by electronic notaries, and on security measures that will protect the integrity of the electronic notary's electronic signature, as well as standards that the Secretary of State may rely upon for revoking an electronic notarization. The report must make a recommendation on whether and to what extent this Act should be expanded and updated.

(e) The Task Force shall meet no less than 5 times between the effective date of this amendatory Act of the 100th General Assembly and December 31, 2019. The Task Force shall prepare a report that summarizes its work and makes recommendations resulting from its review. The Task Force shall submit the report of its findings and recommendations to the Governor and the General Assembly no later than June 30, 2020.

(f) The Task Force shall consist of the following 17 members:

(1) one member appointed by the Secretary of State from the Index Department of the Office of the Secretary of State;

(2) one member appointed by the Secretary of State from the Department of Information Technology of the Office of the Secretary of State;

(3) one member appointed by the President of the Senate;

(4) one member appointed by the Minority Leader of the Senate;

(5) one member appointed by the Speaker of the House of Representatives;

(6) one member appointed by the Minority Leader of the House of Representatives;

(7) one member appointed by the Attorney General;

(8) one member appointed by the Secretary of State from nominations made by the president of a statewide organization representing state's attorneys;

(9) one member appointed by the Secretary of State from nominations made by a statewide organization representing attorneys;

(10) one member appointed by the Secretary of State from nominations made by an organization representing attorneys in a municipality of more than 1,000,000 inhabitants;

(11) one member appointed by the Secretary of State from nominations made by a statewide organization representing bankers;

(12) one member appointed by the Secretary of State from nominations made by a statewide organization representing community bankers;

(13) one member appointed by the Secretary of State from nominations made by a statewide organization representing credit unions;

(14) one member appointed by the Secretary of State from nominations made by a statewide organization representing corporate fiduciaries;

(15) one member appointed by the Secretary of State from nominations made by an organization representing realtors in a municipality of more than 1,000,000 inhabitants;

(16) one member appointed by the Secretary of State from nominations made by a statewide organization representing realtors; and

(17) one member appointed by the Secretary of State from nominations made by a statewide chapter of a national organization representing elder law attorneys.

(g) The Secretary of State shall designate which member shall serve as chairperson and facilitate the Task Force. The members of the Task Force shall be appointed no later than 90 days after the effective date of this amendatory Act of the 100th General Assembly. Vacancies in the membership of the Task Force shall be filled in the same manner as the original appointment. The members of the Task Force shall not receive compensation for serving as members of the Task Force.

(h) The Office of the Secretary of State shall provide the Task Force with administrative and other support.

(i) This Section is repealed on July 1, 2020.

Section 99. Effective date. This Act takes effect July 1, 2017.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Holmes, **Senate Bill No. 1459** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Hastings | McGuire | Stadelman |
| Bennett | Holmes | Morrison | Steans |
| Bertino-Tarrant | Hunter | Mulroe | Syverson |
| Bivins | Hutchinson | Muñoz | Tracy |
| Brady | Koehler | Murphy | Trotter |
| Bush | Landek | Nybo | Van Pelt |
| Castro | Lightford | Oberweis | Weaver |
| Clayborne | Link | Radogno | Mr. President |

| | | |
|---|---|---|
| Collins | Manar | Raoul |
| Connelly | Martinez | Rezin |
| Cullerton, T. | McCann | Righter |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

## SENATE BILL RECALLED

On motion of Senator Holmes, **Senate Bill No. 1461** was recalled from the order of third reading to the order of second reading.

Senator Holmes offered the following amendment and moved its adoption:

## AMENDMENT NO. 2 TO SENATE BILL 1461

AMENDMENT NO. 2. Amend Senate Bill 1461, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 2, by replacing lines 19 and 20 with the following:
"submit to the General Assembly a report that includes~~, without limitation,~~ the following information:"; and

on page 2, by replacing lines 21 through 24 with the following:
"(1) an identification of each vendor that provided goods or services that were included in an accredited production's Illinois production spending, provided that the accredited production's Illinois production spending attributable to that vendor exceeds, in the aggregate, $10,000 or 10% of the accredited production's Illinois production spending, whichever is less;"; and

on page 3, by replacing lines 17 and 18 with the following:
"credit under this Act. Such information shall be released only if permission is granted by the taxpayer.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

## READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Holmes, **Senate Bill No. 1461** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McConchie | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |

| | | |
|---|---|---|
| Clayborne | Link | Raoul |
| Collins | Manar | Rezin |
| Connelly | Martinez | Righter |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Anderson, **Senate Bill No. 1467** having been transcribed and typed and all amendments adopted thereto having been printed, 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 47; NAYS 2.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McConnaughay | Rooney |
| Anderson | Fowler | McGuire | Rose |
| Barickman | Hastings | Morrison | Schimpf |
| Bennett | Hunter | Mulroe | Stadelman |
| Bertino-Tarrant | Hutchinson | Muñoz | Steans |
| Bivins | Koehler | Murphy | Syverson |
| Brady | Landek | Nybo | Tracy |
| Bush | Lightford | Oberweis | Trotter |
| Castro | Link | Radogno | Van Pelt |
| Clayborne | Manar | Raoul | Weaver |
| Connelly | Martinez | Rezin | Mr. President |
| Cullerton, T. | McConchie | Righter | |

The following voted in the negative:

Holmes
McCann

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Connelly, **Senate Bill No. 1470** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McConchie | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |

| | | | |
|---|---|---|---|
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Althoff, **Senate Bill No. 1478** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McCarter | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Link, **Senate Bill No. 1479** having been transcribed and typed and all amendments adopted thereto having been printed, 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 52; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McConchie | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |

| | | | |
|---|---|---|---|
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |
| Cullerton, T. | McCann | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Althoff, **Senate Bill No. 1483** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rooney |
| Anderson | Cunningham | McCarter | Rose |
| Aquino | Fowler | McConnaughay | Schimpf |
| Barickman | Harmon | McGuire | Stadelman |
| Bennett | Hastings | Morrison | Steans |
| Bertino-Tarrant | Holmes | Mulroe | Syverson |
| Biss | Hunter | Muñoz | Tracy |
| Bivins | Hutchinson | Murphy | Trotter |
| Brady | Koehler | Nybo | Van Pelt |
| Bush | Landek | Oberweis | Weaver |
| Castro | Lightford | Radogno | Mr. President |
| Clayborne | Link | Raoul | |
| Collins | Manar | Rezin | |
| Connelly | Martinez | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Weaver, **Senate Bill No. 1486** was recalled from the order of third reading to the order of second reading.

Senator Weaver offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 1486**

AMENDMENT NO. 1. Amend Senate Bill 1486 as follows:

on page 1, line 11, after "physician", by inserting ", physician assistant,"; and

on page 2, line 25, after "branches", by inserting ", a licensed physician assistant,"; and

on page 3, line 4, after "physician's", by inserting ", physician assistant's," and

on page 3, line 7, after "physician's", by inserting ", physician assistant's," and

on page 3, line 19, after "physician", by inserting ", physician assistant,".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Weaver, **Senate Bill No. 1486** having been transcribed and typed and all amendments adopted thereto having been printed, 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 52; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | McCann | Rose |
| Anderson | Cunningham | McConnaughay | Schimpf |
| Aquino | Fowler | McGuire | Stadelman |
| Barickman | Harmon | Morrison | Steans |
| Bennett | Hastings | Mulroe | Syverson |
| Bertino-Tarrant | Holmes | Muñoz | Tracy |
| Biss | Hunter | Murphy | Trotter |
| Bivins | Hutchinson | Nybo | Van Pelt |
| Brady | Koehler | Oberweis | Weaver |
| Bush | Landek | Radogno | Mr. President |
| Castro | Lightford | Raoul | |
| Clayborne | Link | Rezin | |
| Collins | Manar | Righter | |
| Connelly | Martinez | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Hastings, **Senate Bill No. 1502** was recalled from the order of third reading to the order of second reading.

Senator Hastings offered the following amendment and moved its adoption:

**AMENDMENT NO. 4 TO SENATE BILL 1502**

AMENDMENT NO. 4. Amend Senate Bill 1502, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Right to Know Data Transparency and Privacy Protection Act.

Section 5. Findings and purpose.

The General Assembly hereby finds and declares that the right to privacy is a personal and fundamental right protected by the United States Constitution. As such, all individuals have a right to privacy in

information pertaining to them. This State recognizes the importance of providing consumers with transparency about how their personal information, especially information relating to their children, is shared by businesses. This transparency is crucial for Illinois citizens to protect themselves and their families from cyber-crimes and identity thieves. Furthermore, for free market forces to have a role in shaping the privacy practices and for "opt-in" and "opt-out" remedies to be effective, consumers must be more than vaguely informed that a business might share personal information with third parties. Consumers must be better informed about what kinds of personal information are shared with other businesses. With these specifics, consumers can knowledgeably choose to opt-in, opt-out, or choose among businesses that disclose information to third parties on the basis of how protective the business is of consumers' privacy.

Businesses are now collecting personal information and sharing and selling it in ways not contemplated or properly covered by the current law. Some websites are installing tracking tools that record when consumers visit web pages, and sending very personal information, such as age, gender, race, income, health concerns, religion, and recent purchases to third party marketers and data brokers. Third party data broker companies are buying, selling, and trading personal information obtained from mobile phones, financial institutions, social media sites, and other online and brick and mortar companies. Some mobile applications are sharing personal information, such as location information, unique phone identification numbers, and age, gender, and other personal details with third party companies. As such, consumers need to know the ways that their personal information is being collected by companies and then shared or sold to third parties in order to properly protect their privacy, personal safety, and financial security.

Section 10. Definitions. As used in this Act:

"Categories of personal information" includes, but is not limited to, the following:

(a) Identity information including, but not limited to, real name, alias, nickname, and user name.

(b) Address information, including, but not limited to, postal or e-mail.

(c) Telephone number.

(d) Account name.

(e) Social security number or other government-issued identification number, including, but not limited to, social security number, driver's license number, identification card number, and passport number.

(f) Birthdate or age.

(g) Physical characteristic information, including, but not limited to, height and weight.

(h) Sexual information, including, but not limited to, sexual orientation, sex, gender status, gender identity, and gender expression.

(i) Race or ethnicity.

(j) Religious affiliation or activity.

(k) Political affiliation or activity.

(l) Professional or employment-related information.

(m) Educational information.

(n) Medical information, including, but not limited to, medical conditions or drugs, therapies, mental health, or medical products or equipment used.

(o) Financial information, including, but not limited to, credit, debit, or account numbers, account balances, payment history, or information related to assets, liabilities, or general creditworthiness.

(p) Commercial information, including, but not limited to, records of property, products or services provided, obtained, or considered, or other purchasing or consumer histories or tendencies.

(q) Location information.

(r) Internet or mobile activity information, including, but not limited to, Internet protocol addresses or information concerning the access or use of any Internet or mobile-based site or service.

(s) Content, including text, photographs, audio or video recordings, or other material generated by or provided by the customer.

(t) Any of the above categories of information as they pertain to the children of the customer.

"Customer" means an individual residing in Illinois who provides, either knowingly or unknowingly, personal information to a private entity, with or without an exchange of consideration, in the course of purchasing, viewing, accessing, renting, leasing, or otherwise using real or personal property, or any

interest therein, or obtaining a product or service from the private entity, including advertising or any other content.

"Designated request address" means an e-mail address or toll-free telephone number whereby customers may request or obtain the information required to be provided under Section 15 of this Act.

"Disclose" means to disclose, release, transfer, share, disseminate, make available, or otherwise communicate orally, in writing, or by electronic or any other means to any third party. "Disclose" does not include the following:

(a) Disclosure of personal information by a private entity to a third party under a written contract authorizing the third party to utilize the personal information to perform services on behalf of the private entity, including maintaining or servicing accounts, providing customer service, processing or fulfilling orders and transactions, verifying customer information, processing payments, providing financing, or similar services, but only if (i) the contract prohibits the third party from using the personal information for any reason other than performing the specified service or services on behalf of the private entity and from disclosing any such personal information to additional third parties; and (ii) the private entity effectively enforces these prohibitions.

(b) Disclosure of personal information by a business to a third party based on a good-faith belief that disclosure is required to comply with applicable law, regulation, legal process, or court order.

(c) Disclosure of personal information by a private entity to a third party that is reasonably necessary to address fraud, security, or technical issues; to protect the disclosing private entity's rights or property; or to protect customers or the public from illegal activities as required or permitted by law.

"Operator" means any person or entity that owns a website located on the Internet or an online service that collects and maintains personal information from a customer residing in Illinois who uses or visits the website or online service if the website or online service is operated for commercial purposes. "Operator" does not include businesses having 10 or fewer employees or any third party that operates, hosts, or manages, but does not own, a website or online service on the owner's behalf or by processing information on behalf of the owner.

"Personal information" means any information that identifies, relates to, describes, or is capable of being associated with, a particular individual, including, but not limited to, his or her name, signature, physical characteristics or description, address, telephone number, passport number, driver's license or State identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information. "Personal information" also means any data or information pertaining to an individual's income, assets, liabilities, purchases, leases, or rentals of goods, services, or real property, if that information is disclosed, or is intended to be disclosed, with any identifying information, such as the individual's name, address, telephone number, or social security number.

"Third party" or "third parties" means (i) a private entity that is a separate legal entity from the private entity that has disclosed personal information; (ii) a private entity that does not share common ownership or common corporate control with the private entity that has disclosed personal information; or (iii) a private entity that does not share a brand name or common branding with the private entity that has disclosed personal information such that the affiliate relationship is clear to the customer.

Section 15. Notification of information sharing practices. An operator of a commercial website or online service that collects personal information through the Internet about individual customers residing in Illinois who use or visit its commercial website or online service shall, in its customer agreement or incorporated addendum or in another conspicuous location on its website or online service platform where similar notices are customarily posted: (i) identify all categories of personal information that the operator collects through the website or online service about individual customers who use or visit its commercial website or online service; and (ii) provide a description of a customer's rights, as required under Section 25 of this Act, accompanied by one or more designated request addresses.

Section 20. Disclosure of a customer's personal information to a third party.

(a) An operator that discloses a customer's personal information to a third party shall make the following information available to the customer free of charge:

(1) all categories of personal information that were disclosed; and

(2) the names of all third parties that received the customer's personal information.

(b) This Section applies only to personal information disclosed after the effective date of this Act.

Section 25. Information availability service.

(a) An operator required to comply with Section 20 shall make the required information available by providing a designated request address in its customer agreement or incorporated addendum or in another conspicuous location on its website or online service platform where similar notices are customarily posted, and, upon receipt of a request under this Section, shall provide the customer with the information required under Section 20 for all disclosures occurring in the prior 12 months.

(b) An operator that receives a request from a customer under this Section at one of the designated addresses shall provide a response to the customer within 30 days.

(c) An operator shall not be required to respond to a request made by the same customer more than once in a given 12-month period.

(d) Notwithstanding the provisions of this Section, a parent or legal guardian of a customer under the age of 18 may submit a request under this section on behalf of that customer. An operator shall not be required to respond to a request made by the same parent or legal guardian on behalf of a customer under the age of 18 more than once within a given 12-month period.

Section 30. Violation. A violation of this Act constitutes a violation of the Consumer Fraud and Deceptive Business Practices Act. The Office of the Attorney General or the appropriate State's Attorney's Office shall have sole enforcement authority of the provisions of this Act and may enforce a violation of this Act as an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act. Nothing in this Section shall prevent a person from seeking a right of action for a violation of the Biometric Information Privacy Act or otherwise seeking relief under the Code of Civil Procedure.

Section 35. Waivers; contracts. Any waiver of the provisions of this Act shall be void and unenforceable. Any agreement that does not comply with the applicable provisions of this Act shall be void and unenforceable.

Section 40. Construction.

(a) Nothing in this Act shall be construed to conflict with the federal Health Insurance Portability and Accountability Act of 1996 and the rules promulgated under that Act.

(b) Nothing in this Act shall be deemed to apply in any manner to a financial institution or an affiliate of a financial institution that is subject to Title V of the federal Gramm-Leach-Bliley Act of 1999 and the rules promulgated under that Act.

(c) Nothing in this Act shall be construed to apply to any State agency, federal agency, unit of local government, or any contractor, subcontractor, or agent thereof, when working for that State agency, federal agency, or unit of local government.

(d) Nothing in this Act shall be construed to apply to any entity recognized as a tax-exempt organization under 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986.

(e) Nothing in this Act shall be construed to apply to a public utility, an alternative retail electric supplier, or an alternative gas supplier, as those terms are defined in Sections 3-105, 16-102, and 19-105 of the Public Utilities Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 4 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Hastings, **Senate Bill No. 1502** having been transcribed and typed and all amendments adopted thereto having been printed, 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 31; NAYS 21; Present 1.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Aquino | Cullerton, T. | Landek | Mulroe |

| | | | |
|---|---|---|---|
| Bennett | Cunningham | Lightford | Murphy |
| Bertino-Tarrant | Harmon | Link | Raoul |
| Biss | Hastings | Manar | Stadelman |
| Bush | Holmes | Martinez | Steans |
| Castro | Hunter | McCann | Trotter |
| Clayborne | Hutchinson | McGuire | Mr. President |
| Collins | Koehler | Morrison | |

This roll call verified.

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Clayborne, **Senate Bill No. 448** was recalled from the order of third reading to the order of second reading.

Senator Clayborne offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 448**

AMENDMENT NO. 1. Amend Senate Bill 448 by replacing everything after the enacting clause with the following:

"Section 5. The Southern Illinois University Management Act is amended by changing Section 8 as follows:

(110 ILCS 520/8) (from Ch. 144, par. 658)

Sec. 8. Powers and Duties of the Board. The Board shall have power and it shall be its duty:

1. To make rules, regulations and by-laws, not inconsistent with law, for the government and management of Southern Illinois University and its branches.

2. To employ, and, for good cause, to remove a president of Southern Illinois University, and all necessary deans, professors, associate professors, assistant professors, instructors, and other educational and administrative assistants, and all other necessary employees, and contract with them upon matters relating to tenure, salaries and retirement benefits in accordance with the State Universities Civil Service Act; the Board shall, upon the written request of an employee of Southern Illinois University, withhold from the compensation of that employee any dues, payments or contributions payable by such employee to any labor organization as defined in the Illinois Educational Labor Relations Act. Under such arrangement, an amount shall be withheld from each regular payroll period which is equal to the pro rata share of the annual dues plus any payments or contributions, and the Board shall transmit such withholdings to the specified labor organization within 10 working days from the time of the withholding. Whenever the Board establishes a search committee to fill the position of president of Southern Illinois University, there shall be minority representation, including women, on that search committee.

3. To prescribe the course of study to be followed, and textbooks and apparatus to be used at Southern Illinois University.

4. To issue upon the recommendation of the faculty, diplomas to such persons as have satisfactorily completed the required studies of Southern Illinois University, and confer such professional and literary degrees as are usually conferred by other institutions of like character for similar or equivalent courses of study, or such as the Board may deem appropriate.

5. To examine into the conditions, management, and administration of Southern Illinois University, to provide the requisite buildings, apparatus, equipment and auxiliary enterprises, and to fix and collect matriculation fees; tuition fees; fees for student activities; fees for student facilities such as student union buildings or field houses or stadium or other recreational facilities; student welfare fees; laboratory fees and similar fees for supplies and material.

6. To succeed to and to administer all trusts, trust property, and gifts now or hereafter belonging or pertaining to Southern Illinois University.

7. To accept endowments of professorships or departments in the University from any

person who may proffer them and, at regular meetings, to prescribe rules and regulations in relation to endowments and declare on what general principles they may be accepted.

8. To enter into contracts with the Federal government for providing courses of instruction and other services at Southern Illinois University for persons serving in or with the military or naval forces of the United States, and to provide such courses of instruction and other services.

9. To provide for the receipt and expenditures of Federal funds, paid to the Southern Illinois University by the Federal government for instruction and other services for persons serving in or with the military or naval forces of the United States and to provide for audits of such funds.

10. To appoint, subject to the applicable civil service law, persons to be members of the Southern Illinois University Police Department. Members of the Police Department shall be conservators of the peace and as such have all powers possessed by policemen in cities, and sheriffs, including the power to make arrests on view or warrants of violations of state statutes, university rules and regulations and city or county ordinances, except that they may exercise such powers only within counties wherein the university and any of its branches or properties are located when such is required for the protection of university properties and interests, and its students and personnel, and otherwise, within such counties, when requested by appropriate State or local law enforcement officials. However, such officers shall have no power to serve and execute civil processes.

The Board must authorize to each member of the Southern Illinois University Police Department and to any other employee of Southern Illinois University exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by Southern Illinois University and (ii) contains a unique identifying number. No other badge shall be authorized by Southern Illinois University.

10.5. To conduct health care programs in furtherance of its teaching, research, and public service functions, which shall include without limitation patient and ancillary facilities, institutes, clinics, or offices owned, leased, or purchased through an equity interest by the Board or its appointed designee to carry out such activities in the course of or in support of the Board's academic, clinical, and public service responsibilities.

11. To administer a plan or plans established by the clinical faculty of the School of Medicine <u>or the School of Dental Medicine</u> for the billing, collection and disbursement of charges for services performed in the course of or in support of the faculty's academic responsibilities, provided that such plan has been first approved by Board action. All such collections shall be deposited into a special fund or funds administered by the Board from which disbursements may be made according to the provisions of said plan. The reasonable costs incurred, by the University, administering the billing, collection and disbursement provisions of a plan shall have first priority for payment before distribution or disbursement for any other purpose. Audited financial statements of the plan or plans must be provided to the Legislative Audit Commission annually.

The Board of Trustees may own, operate, or govern, by or through the School of Medicine, a managed care community network established under subsection (b) of Section 5-11 of the Illinois Public Aid Code.

12. The Board of Trustees may, directly or in cooperation with other institutions of higher education, acquire by purchase or lease or otherwise, and construct, enlarge, improve, equip, complete, operate, control and manage medical research and high technology parks, together with the necessary lands, buildings, facilities, equipment, and personal property therefor, to encourage and facilitate (a) the location and development of business and industry in the State of Illinois, and (b) the increased application and development of technology and (c) the improvement and development of the State's economy. The Board of Trustees may lease to nonprofit corporations all or any part of the land, buildings, facilities, equipment or other property included in a medical research and high technology park upon such terms and conditions as the Board of Trustees may deem advisable and enter into any contract or agreement with such nonprofit corporations as may be necessary or suitable for the construction, financing, operation and maintenance and management of any such park; and may lease to any person, firm, partnership or corporation, either public or private, any part or all of the land, building, facilities, equipment or other property of such park for such purposes and upon such rentals, terms and conditions as the Board of Trustees may deem advisable; and may finance all or part of the cost of any such park, including the purchase, lease, construction, reconstruction, improvement, remodeling, addition to, and extension and maintenance of all or part of such high technology park, and all equipment and furnishings, by legislative appropriations, government grants, contracts, private gifts, loans, receipts from the operation of such high technology park, rentals and similar receipts; and may make its other facilities and services available to tenants or other occupants of any such park at rates which are reasonable and appropriate.

13. To borrow money, as necessary, from time to time in anticipation of receiving tuition, payments from the State of Illinois, or other revenues or receipts of the University, also known as anticipated moneys. The borrowing limit shall be capped at 100% of the total amount of payroll and other expense vouchers submitted and payable to the University for fiscal year 2010 expenses, but unpaid by the State Comptroller's office. Prior to borrowing any funds, the University shall request from the Comptroller's office a verification of the borrowing limit and shall include the estimated date on which such borrowing shall occur. The borrowing limit cap shall be verified by the State Comptroller's office not prior to 45 days before any estimated date for executing any promissory note or line of credit established under this item 13. The principal amount borrowed under a promissory note or line of credit shall not exceed 75% of the borrowing limit. Within 15 days after borrowing funds under any promissory note or line of credit established under this item 13, the University shall submit to the Governor's Office of Management and Budget, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the President of the Senate, and the Minority Leader of the Senate an Emergency Short Term Cash Management Plan. The Emergency Short Term Cash Management Plan shall outline the amount borrowed, the terms for repayment, the amount of outstanding State vouchers as verified by the State Comptroller's office, and the University's plan for expenditure of any borrowed funds, including, but not limited to, a detailed plan to meet payroll obligations to include collective bargaining employees, civil service employees, and academic, research, and health care personnel. The establishment of any promissory note or line of credit established under this item 13 must be finalized within 90 days after the effective date of this amendatory Act of the 96th General Assembly. The borrowed moneys shall be applied to the purposes of paying salaries and other expenses lawfully authorized in the University's State appropriation and unpaid by the State Comptroller. Any line of credit established under this item 13 shall be paid in full one year after creation or within 10 days after the date the University receives reimbursement from the State for all submitted fiscal year 2010 vouchers, whichever is earlier. Any promissory note established under this item 13 shall be repaid within one year after issuance of the note. The Chairman, Comptroller, or Treasurer of the Board shall execute a promissory note or similar debt instrument to evidence the indebtedness incurred by the borrowing. In connection with a borrowing, the Board may establish a line of credit with a financial institution, investment bank, or broker/dealer. The obligation to make the payments due under any promissory note or line of credit established under this item 13 shall be a lawful obligation of the University payable from the anticipated moneys. Any borrowing under this item 13 shall not constitute a debt, legal or moral, of the State and shall not be enforceable against the State. The promissory note or line of credit shall be authorized by a resolution passed by the Board and shall be valid whether or not a budgeted item with respect to that resolution is included in any annual or supplemental budget adopted by the Board. The resolution shall set forth facts demonstrating the need for the borrowing, state an amount that the amount to be borrowed will not exceed, and establish a maximum interest rate limit not to exceed the maximum rate authorized by the Bond Authorization Act or 9%, whichever is less. The resolution may direct the Comptroller or Treasurer of the Board to make arrangements to set apart and hold the portion of the anticipated moneys, as received, that shall be used to repay the borrowing, subject to any prior pledges or restrictions with respect to the anticipated moneys. The resolution may also authorize the Treasurer of the Board to make partial repayments of the borrowing as the anticipated moneys become available and may contain any other terms, restrictions, or limitations not inconsistent with the powers of the Board.

For the purposes of this item 13, "financial institution" means any bank subject to the Illinois Banking Act, any savings and loan association subject to the Illinois Savings and Loan Act of 1985, and any federally chartered commercial bank or savings and loan association or government-sponsored enterprise organized and operated in this State pursuant to the laws of the United States.

The powers of the Board as herein designated are subject to the Board of Higher Education Act.

(Source: P.A. 96-909, eff. 6-8-10; 97-333, eff. 8-12-11.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Clayborne, **Senate Bill No. 448** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Hastings | McGuire | Stadelman |
| Bennett | Holmes | Morrison | Steans |
| Bertino-Tarrant | Hunter | Mulroe | Syverson |
| Biss | Hutchinson | Muñoz | Tracy |
| Bivins | Koehler | Murphy | Trotter |
| Brady | Landek | Nybo | Van Pelt |
| Bush | Lightford | Oberweis | Weaver |
| Castro | Link | Radogno | Mr. President |
| Clayborne | Manar | Raoul | |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Althoff, **Senate Bill No. 1518** having been transcribed and typed and all amendments adopted thereto having been printed, 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 49; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Fowler | McConchie | Rose |
| Aquino | Hastings | McConnaughay | Schimpf |
| Barickman | Holmes | Morrison | Stadelman |
| Bennett | Hunter | Mulroe | Steans |
| Bertino-Tarrant | Hutchinson | Muñoz | Syverson |
| Biss | Koehler | Murphy | Tracy |
| Brady | Landek | Nybo | Trotter |
| Bush | Lightford | Oberweis | Van Pelt |
| Castro | Link | Radogno | Weaver |
| Clayborne | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |
| Cunningham | McCarter | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Weaver, **Senate Bill No. 1524** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Hastings | McGuire | Stadelman |
| Bennett | Holmes | Morrison | Steans |
| Bertino-Tarrant | Hunter | Mulroe | Syverson |
| Biss | Hutchinson | Muñoz | Tracy |
| Bivins | Koehler | Murphy | Trotter |
| Brady | Landek | Nybo | Van Pelt |
| Bush | Lightford | Oberweis | Weaver |
| Castro | Link | Radogno | Mr. President |
| Clayborne | Manar | Raoul | |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Weaver, **Senate Bill No. 1525** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cullerton, T. | Martinez | Raoul |
| Anderson | Cunningham | McCann | Rezin |
| Aquino | Fowler | McCarter | Righter |
| Barickman | Harmon | McConchie | Rooney |
| Bennett | Hastings | McConnaughay | Rose |
| Bertino-Tarrant | Holmes | McGuire | Schimpf |
| Biss | Hunter | Morrison | Stadelman |
| Bivins | Hutchinson | Mulroe | Steans |
| Brady | Koehler | Muñoz | Tracy |
| Bush | Landek | Murphy | Van Pelt |
| Castro | Lightford | Nybo | Weaver |
| Clayborne | Link | Oberweis | Mr. President |
| Connelly | Manar | Radogno | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Weaver, **Senate Bill No. 1527** was recalled from the order of third reading to the order of second reading.

Senator Weaver offered the following amendment and moved its adoption:

**AMENDMENT NO. 2 TO SENATE BILL 1527**

AMENDMENT NO. _2_. Amend Senate Bill 1527 by deleting Section 50.

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Weaver, **Senate Bill No. 1527** having been transcribed and typed and all amendments adopted thereto having been printed, 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:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Hastings | McGuire | Stadelman |
| Bennett | Holmes | Morrison | Steans |
| Bertino-Tarrant | Hunter | Mulroe | Syverson |
| Biss | Hutchinson | Muñoz | Tracy |
| Bivins | Koehler | Murphy | Trotter |
| Brady | Landek | Nybo | Van Pelt |
| Bush | Lightford | Oberweis | Weaver |
| Castro | Link | Radogno | Mr. President |
| Clayborne | Manar | Raoul | |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Tracy, **Senate Bill No. 1529** having been transcribed and typed and all amendments adopted thereto having been printed, 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 52; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Fowler | McConchie | Rose |
| Anderson | Harmon | McConnaughay | Schimpf |

| | | | |
|---|---|---|---|
| Aquino | Hastings | McGuire | Stadelman |
| Barickman | Holmes | Morrison | Steans |
| Bennett | Hunter | Mulroe | Syverson |
| Bertino-Tarrant | Hutchinson | Muñoz | Tracy |
| Biss | Koehler | Murphy | Trotter |
| Bivins | Landek | Nybo | Van Pelt |
| Brady | Lightford | Oberweis | Weaver |
| Bush | Link | Radogno | Mr. President |
| Castro | Manar | Raoul | |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |
| Cunningham | McCarter | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Weaver, **Senate Bill No. 1531** was recalled from the order of third reading to the order of second reading.

Senator Weaver offered the following amendment and moved its adoption:

**AMENDMENT NO. 1 TO SENATE BILL 1531**

AMENDMENT NO. 1. Amend Senate Bill 1531 by replacing everything after the enacting clause with the following:

"Section 5. The Real Estate Appraiser Licensing Act of 2002 is amended by changing Section 25-10 as follows:

(225 ILCS 458/25-10)

(Section scheduled to be repealed on January 1, 2022)

Sec. 25-10. Real Estate Appraisal Administration and Disciplinary Board; appointment.

(a) There is hereby created the Real Estate Appraisal Administration and Disciplinary Board. The Board shall be composed of 10 persons appointed by the Governor, plus the Coordinator of the Real Estate Appraisal Division. Members shall be appointed to the Board subject to the following conditions:

(1) All appointed members shall have been residents and citizens of this State for at least 5 years prior to the date of appointment.

(2) The appointed membership of the Board should reasonably reflect the geographic distribution of the population of the State.

(3) Four appointed members shall have been actively engaged and currently licensed as State certified general real estate appraisers for a period of not less than 5 years.

(4) Four ~~Two~~ appointed members shall have been actively engaged and currently licensed as State certified residential real estate appraisers for a period of not less than 5 years, 2 of whom ~~. (5) Two appointed members~~ shall hold ~~a~~ valid licenses ~~license~~ as ~~a~~ real estate brokers or managing brokers ~~broker~~ for at least 5 ~~10~~ years prior to the date of the appointment~~, one of whom shall hold a valid State certified general real estate appraiser license issued under this Act or a predecessor Act for a period of at least 5 years prior to the appointment and one of whom shall hold a valid State certified residential real estate appraiser license issued under this Act or a predecessor Act for a period of at least 5 years prior to the appointment~~.

(5) ~~(6)~~ One appointed member shall be a representative of a financial institution, as evidenced by his or her employment with a financial institution.

(6) ~~(7)~~ One appointed member shall represent the interests of the general public. This member or his or her spouse shall not be licensed under this Act nor be employed by or have any interest in an appraisal business, appraisal management company, real estate brokerage business, or a financial institution.

In making appointments as provided in paragraphs (3) and (4) of this subsection, the Governor shall give due consideration to recommendations by members and organizations representing the profession.

~~In making the appointments as provided in paragraph (5) of this subsection, the Governor shall give due consideration to the recommendations by members and organizations representing the real estate industry.~~

In making the appointment as provided in paragraph (5) ~~(6)~~ of this subsection, the Governor shall give due consideration to the recommendations by members and organizations representing financial institutions.

(b) The term for members of the Board shall be 4 years, and each member shall serve until his or her successor is appointed and qualified. No member shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed 10 years.

(c) The Governor may terminate the appointment of a member for cause that, in the opinion of the Governor, reasonably justifies the termination. Cause for termination may include, without limitation, misconduct, incapacity, neglect of duty, or missing 4 Board meetings during any one calendar year.

(d) A majority of the Board members shall constitute a quorum. A vacancy in the membership of the Board shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.

(e) The Board shall meet at least quarterly and may be convened by the Chairperson, Vice-Chairperson, or 3 members of the Board upon 10 days written notice.

(f) The Board shall, annually at the first meeting of the fiscal year, elect a Chairperson and Vice-Chairperson from its members. The Chairperson shall preside over the meetings and shall coordinate with the Coordinator in developing and distributing an agenda for each meeting. In the absence of the Chairperson, the Vice-Chairperson shall preside over the meeting.

(g) The Coordinator of the Real Estate Appraisal Division shall serve as a member of the Board without vote.

(h) The Board shall advise and make recommendations to the Department on the education and experience qualifications of any applicant for initial licensure as a State certified general real estate appraiser or a State certified residential real estate appraiser. The Department shall not make any decisions concerning education or experience qualifications of an applicant for initial licensure as a State certified general real estate appraiser or a State certified residential real estate appraiser without having first received the advice and recommendation of the Board and shall give due consideration to all such advice and recommendations; however, if the Board does not render advice or make a recommendation within a reasonable amount of time, then the Department may render a decision.

(i) Except as provided in Section 15-17 of this Act, the Board shall hear and make recommendations to the Secretary on disciplinary matters that require a formal evidentiary hearing. The Secretary shall give due consideration to the recommendations of the Board involving discipline and questions involving standards of professional conduct of licensees.

(j) The Department shall seek and the Board shall provide recommendations to the Department consistent with the provisions of this Act and for the administration and enforcement of all rules adopted pursuant to this Act. The Department shall give due consideration to such recommendations prior to adopting rules.

(k) The Department shall seek and the Board shall provide recommendations to the Department on the approval of all courses submitted to the Department pursuant to this Act and the rules adopted pursuant to this Act. The Department shall not approve any courses without having first received the recommendation of the Board and shall give due consideration to such recommendations prior to approving and licensing courses; however, if the Board does not make a recommendation within a reasonable amount of time, then the Department may approve courses.

(l) Each voting member of the Board shall receive a per diem stipend in an amount to be determined by the Secretary. Each member shall be paid his or her necessary expenses while engaged in the performance of his or her duties.

(m) Members of the Board shall be immune from suit in an action based upon any disciplinary proceedings or other acts performed in good faith as members of the Board.

(n) If the Department disagrees with any advice or recommendation provided by the Board under this Section to the Secretary or the Department, then notice of such disagreement must be provided to the Board by the Department.

(o) Upon resolution adopted at any Board meeting, the exercise of any Board function, power, or duty enumerated in this Section or in subsection (d) of Section 15-10 of this Act may be suspended. The exercise of any suspended function, power, or duty of the Board may be reinstated by a resolution adopted at a subsequent Board meeting. Any resolution adopted pursuant to this Section shall take effect immediately. (Source: P.A. 98-1109, eff. 1-1-15.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator Weaver, **Senate Bill No. 1531** having been transcribed and typed and all amendments adopted thereto having been printed, 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 52; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McConchie | Rose |
| Anderson | Fowler | McConnaughay | Schimpf |
| Aquino | Harmon | McGuire | Stadelman |
| Barickman | Hastings | Morrison | Steans |
| Bennett | Holmes | Mulroe | Syverson |
| Bertino-Tarrant | Hunter | Muñoz | Tracy |
| Biss | Hutchinson | Murphy | Trotter |
| Bivins | Koehler | Nybo | Van Pelt |
| Brady | Landek | Oberweis | Weaver |
| Bush | Lightford | Radogno | Mr. President |
| Castro | Link | Raoul | |
| Clayborne | Manar | Rezin | |
| Connelly | McCann | Righter | |
| Cullerton, T. | McCarter | Rooney | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Harmon, **Senate Bill No. 1591** having been transcribed and typed and all amendments adopted thereto having been printed, 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 52; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McConchie | Rose |
| Anderson | Fowler | McConnaughay | Schimpf |
| Aquino | Harmon | McGuire | Stadelman |
| Barickman | Holmes | Morrison | Steans |
| Bennett | Hunter | Mulroe | Syverson |
| Bertino-Tarrant | Hutchinson | Muñoz | Tracy |
| Biss | Koehler | Murphy | Trotter |
| Bivins | Landek | Nybo | Van Pelt |
| Brady | Lightford | Oberweis | Weaver |
| Bush | Link | Radogno | Mr. President |
| Castro | Manar | Raoul | |

| | | |
|---|---|---|
| Clayborne | Martinez | Rezin |
| Connelly | McCann | Righter |
| Cullerton, T. | McCarter | Rooney |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILL RECALLED**

On motion of Senator Raoul, **Senate Bill No. 1692** 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. 1 TO SENATE BILL 1692**

AMENDMENT NO. 1. Amend Senate Bill 1692 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 22-80 as follows:

(105 ILCS 5/22-80)

Sec. 22-80. Student athletes; concussions and head injuries.

(a) The General Assembly recognizes all of the following:

(1) Concussions are one of the most commonly reported injuries in children and adolescents who participate in sports and recreational activities. The Centers for Disease Control and Prevention estimates that as many as 3,900,000 sports-related and recreation-related concussions occur in the United States each year. A concussion is caused by a blow or motion to the head or body that causes the brain to move rapidly inside the skull. The risk of catastrophic injuries or death are significant when a concussion or head injury is not properly evaluated and managed.

(2) Concussions are a type of brain injury that can range from mild to severe and can disrupt the way the brain normally works. Concussions can occur in any organized or unorganized sport or recreational activity and can result from a fall or from players colliding with each other, the ground, or with obstacles. Concussions occur with or without loss of consciousness, but the vast majority of concussions occur without loss of consciousness.

(3) Continuing to play with a concussion or symptoms of a head injury leaves a young athlete especially vulnerable to greater injury and even death. The General Assembly recognizes that, despite having generally recognized return-to-play standards for concussions and head injuries, some affected youth athletes are prematurely returned to play, resulting in actual or potential physical injury or death to youth athletes in this State.

(4) Student athletes who have sustained a concussion may need informal or formal accommodations, modifications of curriculum, and monitoring by medical or academic staff until the student is fully recovered. To that end, all schools are encouraged to establish a return-to-learn protocol that is based on peer-reviewed scientific evidence consistent with Centers for Disease Control and Prevention guidelines and conduct baseline testing for student athletes.

(b) In this Section:

"Athletic trainer" means an athletic trainer licensed under the Illinois Athletic Trainers Practice Act who is working under the supervision of a physician.

"Coach" means any volunteer or employee of a school who is responsible for organizing and supervising students to teach them or train them in the fundamental skills of an interscholastic athletic activity. "Coach" refers to both head coaches and assistant coaches.

"Concussion" means a complex pathophysiological process affecting the brain caused by a traumatic physical force or impact to the head or body, which may include temporary or prolonged altered brain function resulting in physical, cognitive, or emotional symptoms or altered sleep patterns and which may or may not involve a loss of consciousness.

"Department" means the Department of Financial and Professional Regulation.

"Game official" means a person who officiates at an interscholastic athletic activity, such as a referee or umpire, including, but not limited to, persons enrolled as game officials by the Illinois High School Association or Illinois Elementary School Association.

"Interscholastic athletic activity" means any organized school-sponsored or school-sanctioned activity for students, generally outside of school instructional hours, under the direction of a coach, athletic director, or band leader, including, but not limited to, baseball, basketball, cheerleading, cross country track, fencing, field hockey, football, golf, gymnastics, ice hockey, lacrosse, marching band, rugby, soccer, skating, softball, swimming and diving, tennis, track (indoor and outdoor), ultimate Frisbee, volleyball, water polo, and wrestling. All interscholastic athletics are deemed to be interscholastic activities.

"Licensed healthcare professional" means a person who has experience with concussion management and who is a nurse, a psychologist who holds a license under the Clinical Psychologist Licensing Act and specializes in the practice of neuropsychology, a physical therapist licensed under the Illinois Physical Therapy Act, an occupational therapist licensed under the Illinois Occupational Therapy Practice Act, a physician assistant, or an athletic trainer.

"Nurse" means a person who is employed by or volunteers at a school and is licensed under the Nurse Practice Act as a registered nurse, practical nurse, or advanced practice nurse.

"Physician" means a physician licensed to practice medicine in all of its branches under the Medical Practice Act of 1987.

"Physician assistant" means a physician assistant licensed under the Physician Assistant Practice Act of 1987.

"School" means any public or private elementary or secondary school, including a charter school.

"Student" means an adolescent or child enrolled in a school.

(c) This Section applies to any interscholastic athletic activity, including practice and competition, sponsored or sanctioned by a school, the Illinois Elementary School Association, or the Illinois High School Association. This Section applies beginning with the 2016-2017 school year.

(d) The governing body of each public or charter school and the appropriate administrative officer of a private school with students enrolled who participate in an interscholastic athletic activity shall appoint or approve a concussion oversight team. Each concussion oversight team shall establish a return-to-play protocol, based on peer-reviewed scientific evidence consistent with Centers for Disease Control and Prevention guidelines, for a student's return to interscholastic athletics practice or competition following a force or impact believed to have caused a concussion. Each concussion oversight team shall also establish a return-to-learn protocol, based on peer-reviewed scientific evidence consistent with Centers for Disease Control and Prevention guidelines, for a student's return to the classroom after that student is believed to have experienced a concussion, whether or not the concussion took place while the student was participating in an interscholastic athletic activity.

Each concussion oversight team must include to the extent practicable at least one physician. If a school employs an athletic trainer, the athletic trainer must be a member of the school concussion oversight team to the extent practicable. If a school employs a nurse, the nurse must be a member of the school concussion oversight team to the extent practicable. At a minimum, a school shall appoint a person who is responsible for implementing and complying with the return-to-play and return-to-learn protocols adopted by the concussion oversight team. At a minimum, a concussion oversight team may be composed of only one person and this person need not be a licensed healthcare professional, but it may not be a coach. A school may appoint other licensed healthcare professionals to serve on the concussion oversight team.

(e) A student may not participate in an interscholastic athletic activity for a school year until the student and the student's parent or guardian or another person with legal authority to make medical decisions for the student have signed a form for that school year that acknowledges receiving and reading written information that explains concussion prevention, symptoms, treatment, and oversight and that includes guidelines for safely resuming participation in an athletic activity following a concussion. The form must be approved by the Illinois High School Association.

(f) A student must be removed from an interscholastic athletics practice or competition immediately if one of the following persons believes the student might have sustained a concussion during the practice or competition:

(1) a coach;

(2) a physician;

(3) a game official;

(4) an athletic trainer;

(5) the student's parent or guardian or another person with legal authority to make medical decisions for the student;

(6) the student; or

(7) any other person deemed appropriate under the school's return-to-play protocol.

(g) A student removed from an interscholastic athletics practice or competition under this Section may not be permitted to practice or compete again following the force or impact believed to have caused the concussion until:

(1) the student has been evaluated, using established medical protocols based on peer-reviewed scientific evidence consistent with Centers for Disease Control and Prevention guidelines, by a treating physician (chosen by the student or the student's parent or guardian or another person with legal authority to make medical decisions for the student), ~~or~~ an athletic trainer , an advanced practice nurse, or a physician assistant ~~working under the supervision of a physician~~;

(2) the student has successfully completed each requirement of the return-to-play protocol established under this Section necessary for the student to return to play;

(3) the student has successfully completed each requirement of the return-to-learn protocol established under this Section necessary for the student to return to learn;

(4) the treating physician, the ~~or~~ athletic trainer , or the physician assistant ~~working under the supervision of a physician~~ has provided a written statement indicating that, in the physician's professional judgment, it is safe for the student to return to play and return to learn or the treating advanced practice nurse has provided a written statement indicating that it is safe for the student to return to play and return to learn; and

(5) the student and the student's parent or guardian or another person with legal authority to make medical decisions for the student:

(A) have acknowledged that the student has completed the requirements of the return-to-play and return-to-learn protocols necessary for the student to return to play;

(B) have provided the treating physician's, ~~or~~ athletic trainer's , advanced practice nurse's, or physician assistant's written statement under subdivision (4) of this subsection (g) to the person responsible for compliance with the return-to-play and return-to-learn protocols under this subsection (g) and the person who has supervisory responsibilities under this subsection (g); and

(C) have signed a consent form indicating that the person signing:

(i) has been informed concerning and consents to the student participating in returning to play in accordance with the return-to-play and return-to-learn protocols;

(ii) understands the risks associated with the student returning to play and returning to learn and will comply with any ongoing requirements in the return-to-play and return-to-learn protocols; and

(iii) consents to the disclosure to appropriate persons, consistent with the federal Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191), of the treating physician's, ~~or~~ athletic trainer's , physician assistant's, or advanced practice nurse's written statement under subdivision (4) of this subsection (g) and, if any, the return-to-play and return-to-learn recommendations of the treating physician, ~~or~~ the athletic trainer, the physician assistant, or the advanced practice nurse, as the case may be.

A coach of an interscholastic athletics team may not authorize a student's return to play or return to learn.

The district superintendent or the superintendent's designee in the case of a public elementary or secondary school, the chief school administrator or that person's designee in the case of a charter school, or the appropriate administrative officer or that person's designee in the case of a private school shall supervise an athletic trainer or other person responsible for compliance with the return-to-play protocol and shall supervise the person responsible for compliance with the return-to-learn protocol. The person who has supervisory responsibilities under this paragraph may not be a coach of an interscholastic athletics team.

(h)(1) The Illinois High School Association shall approve, for coaches, ~~and~~ game officials , and non-licensed healthcare professionals ~~of interscholastic athletic activities~~, training courses that provide for not less than 2 hours of training in the subject matter of concussions, including evaluation, prevention, symptoms, risks, and long-term effects. The Association shall maintain an updated list of individuals and organizations authorized by the Association to provide the training.

(2) The following persons must take a training course in accordance with paragraph (4) of this subsection (h) from an authorized training provider at least once every 2 years:

(A) a coach of an interscholastic athletic activity;

(B) a nurse, licensed healthcare professional, or non-licensed healthcare professional who serves as a member of a concussion oversight team either on a volunteer basis or in his or her capacity as ~~and is~~ an employee, representative, or agent of a school; and

(C) a game official of an interscholastic athletic activity. ~~; and~~

~~(D) a nurse who serves on a volunteer basis as a member of a concussion oversight team for a school.~~

(3) A physician who serves as a member of a concussion oversight team shall, to the greatest extent practicable, periodically take an appropriate continuing medical education course in the subject matter of concussions.

(4) For purposes of paragraph (2) of this subsection (h):

(A) a coach, ~~or~~ game official, or non-licensed healthcare professional ~~officials~~, as the case may be, must take a course described in paragraph (1) of this subsection (h); ~~.~~

(B) an athletic trainer must take a concussion-related continuing education course from an athletic trainer continuing education sponsor approved by the Department; ~~and~~

(C) a nurse must take a concussion-related continuing education course from a nurse ~~concerning the subject matter of concussions that has been approved for~~ continuing education sponsor approved ~~credit~~ by the Department ; ~~.~~

(D) a physical therapist must take a concussion-related continuing education course from a physical therapist continuing education sponsor approved by the Department;

(E) a psychologist must take a concussion-related continuing education course from a psychologist continuing education sponsor approved by the Department;

(F) an occupational therapist must take a concussion-related continuing education course from an occupational therapist continuing education sponsor approved by the Department; and

(G) a physician assistant must take a concussion-related continuing education course from a physician assistant continuing education sponsor approved by the Department.

(5) Each person described in paragraph (2) of this subsection (h) must submit proof of timely completion of an approved course in compliance with paragraph (4) of this subsection (h) to the district superintendent or the superintendent's designee in the case of a public elementary or secondary school, the chief school administrator or that person's designee in the case of a charter school, or the appropriate administrative officer or that person's designee in the case of a private school.

(6) A physician, licensed healthcare professional, or non-licensed healthcare professional ~~athletic trainer, or nurse~~ who is not in compliance with the training requirements under this subsection (h) may not serve on a concussion oversight team in any capacity.

(7) A person required under this subsection (h) to take a training course in the subject of concussions must ~~initially~~ complete the training prior to serving on a concussion oversight team in any capacity ~~not later than September 1, 2016~~.

(i) The governing body of each public or charter school and the appropriate administrative officer of a private school with students enrolled who participate in an interscholastic athletic activity shall develop a school-specific emergency action plan for interscholastic athletic activities to address the serious injuries and acute medical conditions in which the condition of the student may deteriorate rapidly. The plan shall include a delineation of roles, methods of communication, available emergency equipment, and access to and a plan for emergency transport. This emergency action plan must be:

(1) in writing;

(2) reviewed by the concussion oversight team;

(3) approved by the district superintendent or the superintendent's designee in the case of a public elementary or secondary school, the chief school administrator or that person's designee in the case of a charter school, or the appropriate administrative officer or that person's designee in the case of a private school;

(4) distributed to all appropriate personnel;

(5) posted conspicuously at all venues utilized by the school; and

(6) reviewed annually by all athletic trainers, first responders, coaches, school nurses, athletic directors, and volunteers for interscholastic athletic activities.

(j) The State Board of Education may adopt rules as necessary to administer this Section.

(Source: P.A. 99-245, eff. 8-3-15; 99-486, eff. 11-20-15; 99-642, eff. 7-28-16.)

Section 99. Effective date. This Act takes effect September 1, 2017.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Raoul, **Senate Bill No. 1692** having been transcribed and typed and all amendments adopted thereto having been printed, 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 52; NAYS None.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Cunningham | McCarter | Rooney |
| Anderson | Fowler | McConchie | Rose |
| Aquino | Harmon | McConnaughay | Schimpf |
| Barickman | Hastings | McGuire | Stadelman |
| Bennett | Holmes | Morrison | Steans |
| Bertino-Tarrant | Hunter | Mulroe | Syverson |
| Biss | Hutchinson | Muñoz | Tracy |
| Bivins | Koehler | Murphy | Van Pelt |
| Brady | Landek | Nybo | Weaver |
| Bush | Lightford | Oberweis | Mr. President |
| Castro | Link | Radogno | |
| Clayborne | Manar | Raoul | |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**SENATE BILLS RECALLED**

On motion of Senator McConnaughay, **Senate Bill No. 1700** was recalled from the order of third reading to the order of second reading.

Senator McConnaughay offered the following amendment and moved its adoption:

**AMENDMENT NO. 2 TO SENATE BILL 1700**

AMENDMENT NO. _2_. Amend Senate Bill 1700, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Property Assessed Clean Energy Act.

Section 5. Definitions. As used in this Act:

"Alternative energy improvement" means the installation or upgrade of electrical wiring, outlets, or charging stations to charge a motor vehicle that is fully or partially powered by electricity.

"Assessment contract" means a voluntary written contract between the local unit of government and record owner governing the terms and conditions of financing and assessment under a program.

"PACE area" means an area within the jurisdictional boundaries of a local unit of government created by an ordinance or resolution of the local unit of government to provide financing for energy projects under a property assessed clean energy program. A local unit of government may create more than one PACE area under the program, and PACE areas may be separate, overlapping, or coterminous.

"Energy efficiency improvement" means equipment, devices, or materials intended to decrease energy consumption or promote a more efficient use of electricity, natural gas, propane, or other forms of energy on property, including, but not limited to, all of the following:

(1) insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems;

(2) storm windows and doors, multi-glazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;

(3) automated energy control systems;

(4) high efficiency heating, ventilating, or air-conditioning and distribution system modifications or replacements;

(5) caulking, weather-stripping, and air sealing;

(6) replacement or modification of lighting fixtures to reduce the energy use of the lighting system;

(7) energy controls or recovery systems;

(8) day lighting systems; and

(9) any other installation or modification of equipment, devices, or materials approved as a utility cost-savings measure by the governing body.

"Energy project" means the installation or modification of an alternative energy improvement, energy efficiency improvement, or water use improvement, or the acquisition, installation, or improvement of a renewable energy system that is affixed to a stabilized existing property (not new construction).

"Governing body" means the county board or board of county commissioners of a county, the city council of a city, or the board of trustees of a village.

"Local unit of government" means a county, city, or village.

"Person" means an individual, firm, partnership, association, corporation, limited liability company, unincorporated joint venture, trust, or any other type of entity that is recognized by law and has the title to or interest in property. "Person" does not include a local unit of government or a homeowner's or condominium association.

"Program administrator" means a for-profit entity or not-for profit entity that will administer a program on behalf of or at the discretion of the local unit of government. It or its affiliates, consultants, or advisors shall have done business as a program administrator or capital provider for a minimum of 18 months and shall be responsible for arranging capital for the acquisition of bonds issued by the local unit of government to finance energy projects.

"Property" means privately-owned commercial, industrial, non-residential agricultural, or multi-family (of 5 or more units) real property located within the local unit of government, but does not include property owned by a local unit of government or a homeowner's or condominium association.

"Property assessed clean energy program" or "program" means a program as described in Section 10.

"Record owner" means the person who is the titleholder or owner of the beneficial interest in property.

"Renewable energy resource" includes energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. The term "renewable energy resources" does not include the incineration or burning of any solid material.

"Renewable energy system" means a fixture, product, device, or interacting group of fixtures, products, or devices on the customer's side of the meter that use one or more renewable energy resources to generate electricity.

"Water use improvement" means any fixture, product, system, device, or interacting group thereof for or serving any property that has the effect of conserving water resources through improved water management or efficiency.

Section 10. Property assessed clean energy program; creation.

(a) Pursuant to the procedures provided in Section 15, a local unit of government may establish a property assessed clean energy program and, from time to time, create a PACE area or areas under the program.

(b) Under a program, the local unit of government may enter into an assessment contract with the record owner of property within a PACE area to finance or refinance one or more energy projects on the property. The assessment contract shall provide for the repayment of the cost of an energy project through assessments upon the property benefited. The financing or refinancing may include any and all of the following: the cost of materials and labor necessary for installation, permit fees, inspection fees, application and administrative fees, bank fees, and all other fees that may be incurred by the record owner pursuant to the installation and the issuance of bonds on a specific or pro rata basis, as determined by the local unit of government and may also include a prepayment premium.

(c) A program may be administered by a program administrator or the local unit of government.

Section 15. Program established.

(a) To establish a property assessed clean energy program, the governing body of a local unit of government shall adopt a resolution or ordinance that includes all of the following:

(1) a finding that the financing of energy projects is a valid public purpose;

(2) a statement of intent to facilitate access to capital from a program administrator to provide funds for energy projects, which will be repaid by assessments on the property benefited with the agreement of the record owners;

(3) a description of the proposed arrangements for financing the program through a program administrator;

(4) the types of energy projects that may be financed;

(5) a description of the territory within the PACE area;

(6) reference to a report on the proposed program as described in Section 20; and

(7) the time and place for any public hearing required for the adoption of the proposed program by resolution or ordinance;

(8) matters required by Section 20 to be included in the report; for this purpose, the resolution or ordinance may incorporate the report or an amended version thereof by reference; and

(9) a description of which aspects of the program may be amended without a new public hearing and which aspects may be amended only after a new public hearing is held.

(b) A property assessed clean energy program may be amended by resolution or ordinance of the governing body. Adoption of the resolution or ordinance shall be preceded by a public hearing if required.

Section 20. Report. The report on the proposed program required under Section 15 shall include all of the following:

(1) a form of assessment contract between the local unit of government and record owner governing the terms and conditions of financing and assessment under the program.

(2) identification of an official authorized to enter into a assessment contract on behalf of the local unit of government;

(3) a maximum aggregate annual dollar amount for all financing to be provided by the program administrator under the program;

(4) an application process and eligibility requirements for financing energy projects under the program;

(5) a method for determining interest rates on assessment installments, repayment periods, and the maximum amount of an assessment;

(6) an explanation of how assessments will be made and collected;

(7) a plan to raise capital to finance improvements under the program pursuant to the sale of bonds, subject to the Special Assessment Supplemental Bond and Procedures Act, to a program administrator;

(8) information regarding all of the following, to the extent known, or procedures to determine the following in the future:

(A) any revenue source or reserve fund or funds to be used as security for bonds described in paragraph (7); and

(B) any application, administration, or other program fees to be charged to record owners participating in the program that will be used to finance costs incurred by the local unit of government as a result of the program;

(9) a requirement that the term of an assessment not exceed the useful life of the energy project paid for by the assessment; provided that the local unit of government may allow projects that consist of multiple improvements with varying lengths of useful life to have a term that is no greater than the improvement with the longest useful life;

(10) a requirement for an appropriate ratio of the amount of the assessment to the assessed value of the property or market value of the property as determined by a recent appraisal no older than 12 months;

(11) a requirement that the record owner of property subject to a mortgage obtain written consent from the mortgage holder before participating in the program;

(12) provisions for marketing and participant education;

(13) provisions for an adequate debt service reserve fund, if any; and

(14) quality assurance and antifraud measures.

Section 25. Contracts with record owners of property.

(a) After creation of a program and PACE area, a record owner of property within the PACE area may apply with the local unit of government or its program administrator for funding to finance an energy project.

(b) A local unit of government may impose an assessment under a property assessed clean energy program only pursuant to the terms of a recorded assessment contract with the record owner of the property to be assessed.

(c) Before entering into an assessment contract with a record owner under a program, the local unit of government shall verify all of the following:

(1) that the property is within the PACE area;

(2) that there are no delinquent taxes, special assessments, or water or sewer charges on the property;

(3) that there are no delinquent assessments on the property under a property assessed clean energy program;

(4) there are no involuntary liens on the property, including, but not limited to, construction or mechanics liens, lis pendens or judgments against the record owner, environmental proceedings, or eminent domain proceedings;

(5) that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured;

(6) that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset to a current bankruptcy.

(7) all work requiring a license under any applicable law to make a qualifying improvement shall be performed by a registered contractor that has agreed to adhere to a set of terms and conditions through a process established by the local unit of government.

(8) the contractors to be used have signed a written acknowledgement that the local unit of government will not authorize final payment to the contractor until the local unit of government has received written confirmation from the record owner that the improvement was properly installed and is operating as intended; provided, however, that the contractor retains all legal rights and remedies in the event there is a disagreement with the owner;

(9) that the amount of the assessment in relation to the greater of the assessed value of the property or the appraised value of the property, as determined by a licensed appraiser, does not exceed 25%; and

(10) a requirement that an assessment of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed project.

(d) At least 30 days before entering into an agreement with the local unit of government, the record owner shall provide to the holders or loan servicers of any existing mortgages encumbering or otherwise secured by the property a notice of the record owner's intent to enter into an assessment contract with the local unit of government, together with the maximum principal amount to be financed and the maximum annual assessment necessary to repay that amount, along with a request that the holders or loan servicers of any existing mortgages consent to the record owner subjecting the property to the program. A verified copy or other proof of those notices and the written consent of the existing mortgage holder for the record owner to enter into the assessment contract and acknowledging that the existing mortgage will be subordinate to the financing and assessment agreement and that the local unit of government can foreclose the property if the assessment is not paid shall be provided to the local unit of government.

(e) A provision in any agreement between a local unit of government and a public or private power or energy provider or other utility provider is not enforceable to limit or prohibit any local unit of government from exercising its authority under this Section.

(f) The record owner has signed a certification that the local unit of government has complied with the provisions of this Section, which shall be conclusive evidence as to compliance with these provisions, but shall not relieve any contractor, or local unit of government, from any potential liability.

(g) This Section is additional and supplemental to county and municipal home rule authority and not in derogation of such authority or limitation upon such authority.

Section 30. Assessments constitute a lien; billing.

(a) An assessment imposed under a property assessed clean energy program, including any interest on the assessment and any penalty, shall constitute a lien against the property on which the assessment is imposed until the assessment, including any interest or penalty, is paid in full. The lien of the assessment contract shall run with the property until the assessment is paid in full and a satisfaction or release for the same has been recorded with the local unit of government and shall have the same priority and status as

other property tax and assessment liens. The local unit of government shall have all rights and remedies in the case of default or delinquency in the payment of an assessment as it does with respect to delinquent property taxes. When the assessment, including any interest and penalty, is paid, the lien shall be removed from the property.

(b) Installments of assessments due under a program may be included in each tax bill issued under the Property Tax Code and may be collected at the same time and in the same manner as taxes collected under the Property Tax Code. Alternatively, installments may be billed and collected as provided in a special assessment ordinance of general applicability adopted by the local unit of government pursuant to State law or local charter. In no event will partial payment of an assessment be allowed.

Section 35. Bonds.

(a) A local unit of government may issue bonds under the Special Assessment Supplemental Bond and Procedures Act to finance energy projects under a property assessed clean energy program.

(b) Bonds issued under subsection (a) shall not be general obligations of the local unit of government, but shall be secured by the following as provided by the governing body in the resolution or ordinance approving the bonds:

(1) payments of assessments on benefited property within the PACE area or areas specified; and

(2) if applicable, revenue sources or reserves established by the local unit of government from bond proceeds or other lawfully available funds.

(c) A pledge of assessments, funds, or contractual rights made by a governing body in connection with the issuance of bonds by a local unit of government under this Act constitutes a statutory lien on the assessments, funds, or contractual rights so pledged in favor of the person or persons to whom the pledge is given, without further action by the governing body. The statutory lien is valid and binding against all other persons, with or without notice.

(d) Bonds of one series issued under this Act may be secured on a parity with bonds of another series issued by the local unit of government pursuant to the terms of a master indenture or master resolution entered into or adopted by the governing body of the local unit of government.

(e) Bonds issued under this Act are subject to the Bond Authorization Act and the Registered Bond Act.

(f) Bonds issued under this Act further essential public and governmental purposes, including, but not limited to, reduced energy costs, reduced greenhouse gas emissions, economic stimulation and development, improved property valuation, and increased employment.

(g) A program administrator can assign its rights to purchase the bonds to a third party (the "bond purchaser").

(h) A program administrator shall retain a law firm to give a bond opinion for the benefit of the program administrator or bond purchaser.

Section 40. Joint property assessed clean energy programs.

(a) A local unit of government may join with any other local unit of government, or with any public or private person, or with any number or combination thereof, under the Intergovernmental Cooperation Act, by contract or otherwise as may be permitted by law, for the implementation of a property assessed clean energy program, in whole or in part.

(b) If a program is implemented jointly by 2 or more local units of government pursuant to subsection (a), a single public hearing held jointly by the cooperating local units of government is sufficient to satisfy the requirements of this Act.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator J. Cullerton, **Senate Bill No. 31** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 1 was postponed in the Committee on Executive.

Floor Amendment No. 2 was withdrawn by the sponsor.

Senator J. Cullerton offered the following amendment and moved its adoption:

**AMENDMENT NO. 3 TO SENATE BILL 31**

AMENDMENT NO. _3_. Amend Senate Bill 31 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Trust Act.

Section 5. Legislative intent. It is the intent of the General Assembly that this Act shall not be construed as providing, expanding, or ratifying the legal authority for any State or local law enforcement agency to detain an individual on an immigration detainer or administrative warrant, or perform any other civil immigration enforcement function. State law does not grant State or local law enforcement the authority to enforce federal civil immigration laws. Interactions between State and local law enforcement and federal immigration agents shall be consistent and uniform throughout the State.

Section 10. Definitions. In this Act:

"Administrative warrant" means an immigration warrant of arrest, order to detain or release aliens, notice of custody determination, notice to appear, removal order, warrant of removal, or any other document issued by an immigration agent or immigration judge that can form the basis for an individual's arrest or detention for a civil immigration enforcement purpose including administrative warrants entered into the Federal Bureau of Investigation's National Crime Information Center database, or any successor or similar database maintained by the United States. "Administrative warrant" does not include any warrants issued by a criminal court upon a determination of probable cause and in compliance with the requirements of the Fourth Amendment to the United States Constitution and Article I, Section 6 of the Illinois Constitution.

"Certification form" means any law enforcement certification form or statement required by federal immigration law certifying that a person is a victim of qualifying criminal activity including, but not limited to, the information required by Section 1184(p) of Title 8 of the United States Code (including current United States Citizenship and Immigration Service Form I-918, Supplement B, or any successor forms) for purposes of obtaining a U visa, or by Section 1184(o) of Title 8 of the United States Code (including current United States Citizenship and Immigration Service Form I-914, Supplement B, or any successor forms) for purposes of obtaining a T visa.

"Certifying agency" means a State or local law enforcement agency, prosecutor, or other authority that has responsibility for the detection, investigation, or prosecution of criminal activity including an agency that has criminal investigative jurisdiction in its respective areas of expertise, and specifically includes the Department of Labor, the Department of Children and Family Services, the Department of Human Services, and the Illinois Workers' Compensation Commission, but not including any State court.

"Coerce" means to use express or implied threats towards a person or family member of a person that attempts to put the person in immediate fear of the consequences in order to compel that person to act against his or her will.

"Contact information" means home address, work address, telephone number, electronic mail address, social media information, or any other personal identifying information that could be used as a means to contact an individual.

"Eligible for release from custody" means that the individual may be released from custody because one of the following conditions has occurred:

(1) all criminal charges against the individual have been dropped or dismissed;

(2) the individual has been acquitted of all criminal charges filed against him or her;

(3) the individual has served all the time required for his or her sentence;

(4) the individual has posted a bond; or

(5) the individual is otherwise eligible for release under State or local law or local policy.

"Family member" means a person's (i) mother or father (including step or adoptive), spouse, brother or sister (including blood, step, half, or adoptive), son or daughter (including blood, step, half, or adopted), father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, grandparent, or grandchild; (ii) court-appointed legal guardian or a person for whom the person is a court-appointed legal guardian; or (iii) domestic partner or the domestic partner's mother or father (including step or adoptive), brother or sister (including blood, step, half, or adoptive), or son or daughter (including blood, step, half, or adopted).

"Immigration agent" means an agent of federal Immigration and Customs Enforcement, federal Customs and Border Protection, an individual authorized to conduct enforcement of civil immigration

laws under Section 1357(g) of Title 8 of the United States Code or any other federal law, any other federal agent charged with enforcement of civil immigration laws, or any successor.

"Immigration enforcement operation" means an operation that has as one of its objectives the identification or apprehension of a person or persons: (1) in order to subject them to civil immigration detention, removal proceedings or removal from the United States; or (2) to criminally prosecute a person or persons for offenses related to immigration status, including, but not limited to, violations of Sections 1253, 1304, 1306(a) and (b), 1325, or 1326 of Title 8 of the United States Code.

"Immigration detainer" means a document issued by an immigration agent to a federal, State, or local law enforcement agency that requests that the law enforcement agency provide notice of release or maintain custody of an individual based on an alleged violation of a civil immigration law, including detainers issued under Section 287.7 of Title 8 of the United States Code or Section 236.1 of Title 8 of the Code of Federal Regulations.

"Law enforcement agency" means an agency in this State charged with enforcement of State, county, or municipal laws or with managing custody of detained persons in the State, including municipal police departments, sheriff's departments, campus police departments, the Department of State Police, and the Department of Juvenile Justice.

"Law enforcement official" means any officer or other agent of a State or local law enforcement agency authorized to enforce criminal laws, rules, regulations, or local ordinances or to operate jails, correctional facilities, or juvenile detention facilities or to maintain custody of individuals in jails, correctional facilities, or juvenile detention facilities.

"Qualifying criminal activity" means any activity regardless of the stage of detection, investigation, or prosecution, involving one or more of the following or any similar activity in violation of federal, State, or local criminal law: rape; torture; trafficking; incest; domestic violence; sexual assault; abusive sexual contact; prostitution; sexual exploitation; stalking; female genital mutilation; being held hostage; peonage; involuntary servitude; slave trade; kidnapping; abduction; unlawful criminal restraint; false imprisonment; blackmail; extortion; manslaughter; murder; felonious assault; witness tampering; obstruction of justice; perjury; fraud in foreign labor contracting (as defined in Section 1351 of Title 18 of the United States Code); or attempt, conspiracy, or solicitation to commit any of the above mentioned crimes; and any criminal activity that has an articulable similarity to any activity listed under this definition, but is not specifically listed under this definition. Qualifying criminal activity also means any qualifying criminal activity that occurs during the commission of non-qualifying criminal activity, regardless of whether or not criminal prosecution was sought for the qualifying criminal activity. Criminal activity may be considered qualifying criminal activity regardless of how much time has elapsed since its commission.

"Verbal abuse" means the use of a remark which is overtly insulting, mocking, or belittling directed at a person based upon the actual or perceived: (1) race, color, sex, religion, national origin, English proficiency, sexual orientation, or gender identity of that person, or (2) citizenship or immigration status of that person or that person's family member.

"Victim of qualifying criminal activity" means any individual who:

(1)(A)(i) has reported qualifying criminal activity to a law enforcement agency or certifying agency; or (ii) has otherwise participated in the detection, investigation, or prosecution of qualifying criminal activity; and

(B) has suffered direct and proximate harm as a result of the commission of any qualifying criminal activity; including, but not limited to: (i) any indirect victim regardless of the direct victim's immigration or citizenship status, who, in any case in which the direct victim is deceased, incompetent, or incapacitated, is the direct victim's spouse, the direct victim's child under 21 years of age, or if the direct victim is under 21 years of age, the direct victim's unmarried sibling under 18 years of age or parent; or (ii) any bystander victim who suffers direct physical or mental harm as a result of the qualifying criminal activity, or

(2) was a victim of a severe form of trafficking in persons as defined in Section 7102 of Title 22 of the United States Code and Section 10-9 of the Criminal Code of 2012.

More than one victim may be identified and provided with a certification form depending upon the circumstances. For purposes of the definition of "victim of qualifying criminal activity," the term "incapacitated" means unable to interact with the law enforcement agency or certifying agency personnel as a result of a cognitive impairment or other physical limitation, because of physical restraint or disappearance, or because the victim was a minor at the time the crime was committed and reported.

Section 15. Prohibited immigration enforcement activities; exceptions.

(a) A law enforcement agency or official shall not detain or continue to detain any individual solely on the basis of any immigration detainer or administrative warrant, or otherwise comply with an immigration detainer or administrative warrant after that individual becomes eligible for release from custody.

(b) A law enforcement agency or official shall not stop, arrest, search, detain, or continue to detain a person solely based on an individual's citizenship or immigration status, an administrative warrant, an individual's possession of a temporary visitor's driver's license issued by the Secretary of State under the Illinois Vehicle Code, or an individual's possession of a passport, consular identification document, or other identification document issued by a foreign government.

(c) A law enforcement agency or official shall not inquire about the citizenship or immigration status of an individual, including a crime victim, a witness, or a person who calls or approaches the law enforcement agency or official seeking assistance, unless necessary to investigate criminal activity by that individual. Nothing in this subsection (c) shall be construed to limit the ability of a law enforcement agency or official to ask a person in the law enforcement agency's custody about that person's country of nationality for purposes of facilitating communication with consular officers from that person's country of nationality in accordance with the Vienna Convention on Consular Relations.

(d) A law enforcement agency or official shall not request or accept a temporary visitor's driver's license issued by the Secretary of State under the Illinois Vehicle Code as proof of a person's identity. A law enforcement agency or official may only request an individual's temporary visitor's driver's license to establish that the individual is or is not licensed by the State to operate a motor vehicle.

(e) A law enforcement agency or official shall not enter into an agreement under Section 1357(g) of Title 8 of the United States Code or any other federal law that permits State or local governmental entities to enforce federal civil immigration laws.

(f) A law enforcement agency or official shall not participate in immigration enforcement operations as defined in Section 10 of this Act, which includes, but is not limited to, operations to establish traffic perimeters. Except as provided in subsection (i) of this Section, a law enforcement agency or official shall not provide to any immigration agent information on persons that may be the subject of immigration enforcement operations.

(g) A law enforcement agency or official shall not:

(1) give any immigration agent access to any individual;

(2) transfer any person into an immigration agent's custody;

(3) permit immigration agents use of agency facilities or equipment, including any agency electronic databases not available to the public, for investigative interviews or other investigative purpose in executing an immigration enforcement operation; or

(4) respond to immigration agent inquiries regarding any individual's incarceration status, release date, or contact information except insofar as the agency makes that information available to the public.

(h) Notwithstanding any other provision of this Section, (1) if an immigration agent presents to a law enforcement official or law enforcement agency a valid and properly issued criminal warrant related to the investigation or prosecution of any criminal offense, including offenses provided for in the laws of another state or federal law, or (2) otherwise demonstrates that he or she is engaged in the investigation or prosecution of a criminal offense or activity (not including any offense related to immigration status, including, but not limited to, a violation of Section 1253, 1304, 1306 (a) or (b), 1325, or 1326 of Title 8 of the United States Code), then the law enforcement official or law enforcement agency may conduct any of the activities listed in this Section or otherwise communicate or coordinate with an immigration agent solely for assisting with that specific purpose.

(i) Nothing in this Section shall be construed to prohibit or restrict any entity from sending to, or receiving from, the United States Department of Homeland Security or other federal, State, or local government entity information regarding the citizenship or immigration status of any individual under Sections 1373 and 1644 of Title 8 of the United States Code.

(j) Subsection (g) of this Section shall not apply to the Department of Corrections.

(k) Nothing in this Section shall be construed as restricting any expenditure or activity necessary to the performance by the State, any unit of local government, or any law enforcement or other agency, official, employee, or agent of any obligations under any contract between the State, the unit of local government, or the agency and federal officials regarding the use of a facility to detain individuals in federal immigration removal proceedings.

Section 20. Prohibited activities related to immigration detention facilities. Notwithstanding subsection (k) of Section 15 of this Act, no State agency or unit of local government shall be permitted to contract with a private for-profit vendor or contractor for the provision of services, other than ancillary services as

defined under Section 3 of the Private Correctional Facility Moratorium Act, relating to the operation or management of a facility to detain individuals in federal immigration removal proceedings, or to approve any permits, zoning changes, or other measures required for, or to otherwise facilitate, the construction, operation, or management of any such facility.

Section 25. Other prohibited activities; verbal abuse and coercion. A law enforcement agency or law enforcement official shall not:

(1) coerce any person based upon the person's actual or perceived citizenship or immigration status or the actual or perceived citizenship or immigration status of the person's family member;

(2) communicate a threat to deport that person or any family member of that person under circumstances that reasonably tend to produce a fear that the threat will be carried out; or

(3) otherwise subject a person to verbal abuse as defined by Section 10 of this Act.

Section 30. Other prohibited activities; registry programs. A State or local government agency or official shall not expend any time, facilities, equipment, information, or other resources of the agency or official to facilitate the creation, publication, or maintenance of any federal program with the purpose of registering or maintaining a database of individuals present in the United States based on their race, color, ancestry, national origin, or religion, or to facilitate the participation in such a program of any residents of the jurisdiction served by that agency or official.

Section 35. Certifications for victims of qualifying criminal activity.

(a) A certifying agency shall complete a certification form requested by any victim of qualifying criminal activity as defined in Section 10 of this Act within 90 days of receiving the request, except as otherwise required under this subsection (a). If the victim of qualifying criminal activity is in federal immigration removal proceedings or detained, then the certifying agency shall complete the certification form no later than 14 days after the request is received by the agency. If the victim's children, parents, or siblings will become ineligible for benefits under Sections 1184(p) and 1184(o) of Title 8 of the United States Code by virtue of the victim's children having reached the age of 21 years, the victim having reached the age of 21 years, or the victim's sibling having reached the age of 18 years within 90 days from the date that the certifying agency receives the certification request, the certifying agency shall complete the certification form no later than 14 days after the request is received by the agency, or if the loss of the benefit would occur less than 14 days of receipt of the certification request, the agency shall complete a certification form within 3 days. Requests for expedited completion of a certification form shall be affirmatively raised by the victim or representative of the victim.

(b) A request for completion of a certification form under subsection (a) of this Section may be submitted by a representative of the victim, including, but not limited to, an attorney, accredited representative, or domestic violence service provider. A certifying agency may decline to complete the certification form requested under subsection (a) of this Section only if, after a good faith inquiry, the agency cannot determine that the applicant is a victim of qualifying criminal activity as defined in Section 10 of this Act.

(c) Each certifying agency has independent legal authority to complete and issue a certification form. The head of each certifying agency, or a designated agent who performs a supervisory role within the certifying agency, shall perform the following responsibilities:

(1) respond to requests for certifications as required by this Section;

(2) make information regarding the agency's procedures for certification requests publicly available for victims of qualifying criminal activity and their representatives; and

(3) keep written records of all certification requests and responses, which shall be reported to the Illinois Trust Act Compliance Board on an annual basis.

(d) A certifying agency shall complete and reissue a certification form within 90 days of receiving a request to reissue. If the victim seeking recertification has a deadline to respond to a request for evidence from United States Citizenship and Immigration Services, the certifying agency shall complete and issue the form no later than 14 days after the request is received by the agency. Requests for expedited re-certification shall be affirmatively raised by the victim or representative of the victim.

(e) Notwithstanding any other provision of this Section, a certifying agency's completion of a certification form shall not be considered sufficient evidence that an applicant for a U or T visa has met all eligibility requirements for that visa and completion of a certification form by a certifying agency shall not be construed to guarantee that the victim will receive federal immigration relief. It is the exclusive responsibility of federal immigration officials to determine whether any individual is eligible for a U or T visa. Completion of a certification form by a certifying agency merely verifies factual information relevant

to the immigration benefit sought, including information relevant for federal immigration officials to determine eligibility for a U or T visa. By completing a certification form, the certifying agency attests that the information is true and correct to the best of the certifying official's knowledge. If, after completion of a certification form, the victim unreasonably refuses to assist in the investigation or prosecution of the qualifying criminal activity of which he or she is a victim, then the certifying agency may notify United States Citizenship and Immigration Services in writing.

(f) All certifying agencies not subject to the training requirements established in Section 10.17-5 of the Illinois Police Training Act shall adopt a training program on U and T nonimmigrant visas and other remedies for immigrant victims of qualifying criminal activity.

(g) All certifying agencies shall adopt and implement a language access protocol for non-English speaking victims of qualifying criminal activity.

Section 40. Certain State-funded schools and facilities.

(a) Absent a judicial warrant or probable cause of criminal activity (not including an offense related to immigration status, including, but not limited to, a violation of Section 1253, 1304, 1306 (a) or (b), 1325, or 1326 of Title 8 of the United States Code), a government official shall not make arrests in the following State-funded facilities or their adjacent grounds:

(1) State-funded schools, including licensed day care centers, pre-schools, and other early learning programs; elementary and secondary schools, and institutions of higher education.

(2) State-funded medical treatment and health care facilities, including hospitals, health clinics, emergency or urgent care facilities, nursing homes, group homes for persons with developmental disabilities, community-integrated living arrangements, and State mental health facilities.

(3) Facilities operated by the Office of the Secretary of State.

(4) Circuit courts, State appellate courts, or the Supreme Court.

(b) Employees of elementary and secondary schools in this State and institutions of higher education in this State shall not inquire about a student's citizenship or immigration status or that of the student's family members, except in cases of in-State or in-district tuition verification, scholarships, grants, or services that are contingent upon this information. State agencies and State-funded medical treatment and health care facilities shall not inquire about or request proof of citizenship or immigration status when providing services or benefits, except when the receipt of the services or benefits is contingent upon the person's immigration or citizenship status or when inquiries are otherwise lawfully required by federal, State, or local laws. State agencies and State-funded medical treatment and health care facilities shall not collect information regarding a person's citizenship or immigration status, except as required by federal or State law.

(c) Beginning 120 days after the effective date of this Act, except as required by federal, State, or local law, no new applications, questionnaires, or interview forms used in relation to benefits, opportunities, or services provided by a State agency or in-State or in-district tuition verification, scholarships, grants, or services provided by a public elementary or secondary school or public institution of higher education may contain any questions regarding citizenship or immigration status.

(d) The appropriate personnel of a facility listed in paragraph (1) of subsection (a) of this Section shall develop a plan within 90 days after the effective date of this Act to provide assistance, information, and safety to persons who are concerned about the government's immigration enforcement efforts. The appropriate personnel of a facility listed in paragraph (2) of subsection (a) of this Section shall make information available to patients to address concerns about the government's immigration enforcement efforts.

(e) Information or documents regarding an individual's citizenship or immigration status are confidential information. Absent a judicial warrant or court-ordered subpoena, a school, institution of higher education, State agency, State-funded medical treatment or health care facility that collects information or documents regarding an individual's citizenship or immigration status under federal or State law shall not disclose or otherwise make available to any person or entity information or documents regarding an individual's citizenship or immigration status except when disclosure is necessary between a facility listed in paragraph (2) of subsection (a) of this Section and any other licensed health care facility or professional for the provision of health care and except as provided under subsection (g) of this Section. Nothing in this Section is intended to prevent any entity from exchanging aggregated, de-identified information with State, local, or federal entities.

(f) A facility listed in paragraph (2) of subsection (a) of this Section may deny access, delay access, or limit access by law enforcement personnel, including immigration agents, based upon the medical condition or safety of patients or staff or based upon compliance with legal requirements, such as federal

or State law governing patient privacy. A facility and an individual affiliated with that facility who, acting in good faith, either grants or denies access to the facility by law enforcement personnel, including immigration agents, under this Act shall be immune from any civil or criminal liability based upon the decision to grant or deny access.

(g) Nothing in this Section 40 shall be construed to prohibit or restrict any entity covered by Section 1373 and 1644 of Title 8 of the United States Code from sending to, or receiving from, the United States Department of Homeland Security or any other federal, State, or local government entity information regarding the citizenship or immigration status of any individual.

Section 45. Equal access to educational, rehabilitative, and diversionary programs in the criminal justice system. Neither the Department of Corrections nor any law enforcement agency may consider an immigration detainer or administrative warrant in determining an individual's eligibility or placement in any educational, rehabilitative, or diversionary program described in the Unified Code of Corrections or any other educational, rehabilitative, or diversionary program administered by a law enforcement agency.

Section 50. Compliance Board; oversight.

(a) The Governor shall appoint, with the advice and consent of the Senate, an Illinois Trust Act Compliance Board within 90 days after the effective date of this Act. This Board shall consist of 13 members, serving terms of 3 years, and the members shall elect their chairperson. No more than 7 members shall be of the same political party. All appointments shall be made in writing and filed with the Secretary of State as a public record.

(b) The Board shall consist of the following members:

(1) one representative of the Governor's office;

(2) one representative of the Attorney General's office;

(3) one representative of the Illinois Legislative Latino Caucus;

(4) one representative of law enforcement from the Chicago Police Department;

(5) one representative of law enforcement from Cook County;

(6) 2 representatives of law enforcement from outside of Cook County;

(7) one representative that advocates for immigrants in the Latino or Hispanic community in this State;

(8) one representative that advocates for immigrants in the Asian American community in this State;

(9) one representative that advocates for immigrants in the African, Arab, or Muslim American community in this State;

(10) one representative that advocates for immigrants in this State;

(11) 2 representatives that advocate for immigrant victims of domestic violence, sexual assault, or human trafficking in this State;

(c) This Board shall be charged with the following responsibilities:

(1) monitoring compliance with this Act;

(2) disseminating information about this Act to affected communities and the general public;

(3) establishing mechanisms by which the public can report concerns and recommendations regarding implementation of this Act;

(4) identifying implementation issues and other trends, and providing recommendations to the Governor and the Attorney General for addressing these issues;

(5) conducting research regarding sharing personally identifiable information between law enforcement agencies and federal Immigration and Customs Enforcement, including but not limited to, research regarding:

(A) requests for or investigations involving personally identifiable information by law enforcement agencies and officials;

(B) sharing of information and data posted in the Illinois Law Enforcement Agencies Database System (LEADS) or any other State administered database to which immigration agents have access;

(C) immigration agents' use of the LEADS database or any other State administered database; and

(D) the impact of the requests, investigations, and sharing and use of information on relations between law enforcement agencies and immigrant communities;

(6) conducting additional research as may be necessary, including, but not limited to,

requesting and disseminating data from law enforcement agencies relevant to this Act and this Act's impact on law enforcement agencies, police-community relations, affected communities, and the State overall;

(7) publishing a report of its activities no less than once each calendar year; and

(8) any other responsibilities relating to this Act as the Board may identify.

Section 115. The Illinois Notary Public Act is amended by changing Section 3-104 as follows:

(5 ILCS 312/3-104) (from Ch. 102, par. 203-104)

Sec. 3-104. Maximum Fee.

(a) Except as provided in subsection (b) of this Section, the maximum fee in this State is $1.00 for any notarial act performed and, until July 1, 2018, up to $25 for any notarial act performed pursuant to Section 3-102.

(b) Fees for a notary public, agency, or any other person who is not an attorney or an accredited representative filling out immigration forms shall be limited to the following:

(1) $10 per form completion;

(2) $10 per page for the translation of a non-English language into English where such translation is required for immigration forms;

(3) $1 for notarizing;

(4) $3 to execute any procedures necessary to obtain a document required to complete immigration forms; and

(5) A maximum of $75 for one complete application.

Fees authorized under this subsection shall not include application fees required to be submitted with immigration applications.

Any person who violates the provisions of this subsection shall be guilty of a Class A misdemeanor for a first offense and a Class 3 felony for a second or subsequent offense committed within 5 years of a previous conviction for the same offense.

(c) Upon his own information or upon complaint of any person, the Attorney General or any State's Attorney, or their designee, may maintain an action for injunctive relief in the court against any notary public or any other person who violates the provisions of subsection (b) of this Section. These remedies are in addition to, and not in substitution for, other available remedies.

(c-5) Notwithstanding subsection (c) of this Section, any person may file a civil action to enforce the provisions of this subsection and maintain an action for injunctive relief, for compensatory damages to recover prohibited fees, or for such additional relief as may be appropriate to deter, prevent, or compensate for the violation. In order to deter violations of this Section, courts shall not require a showing of the traditional elements for equitable relief. A prevailing plaintiff may be awarded 3 times the prohibited fees, or a minimum of $1,000 in punitive damages, attorney's fees, and costs of bringing an action under this Section. It is the express intent of the General Assembly that remedies for violation of this Section be cumulative. ~~If the Attorney General or any State's Attorney fails to bring an action as provided pursuant to this subsection within 90 days of receipt of a complaint, any person may file a civil action to enforce the provisions of this subsection and maintain an action for injunctive relief.~~

(d) All notaries public must provide receipts and keep records for fees accepted for services provided. Failure to provide receipts and keep records that can be presented as evidence of no wrongdoing shall be construed as a presumptive admission of allegations raised in complaints against the notary for violations related to accepting prohibited fees.

(Source: P.A. 98-29, eff. 6-21-13.)

Section 120. The Illinois Police Training Act is amended by adding Section 10.17-5 as follows:

(50 ILCS 705/10.17-5 new)

Sec. 10.17-5. Training program on federal nonimmigrant visas. The Board shall conduct or approve a training program on U and T nonimmigrant visas and other immigration remedies for immigrant victims of qualifying criminal activity as defined in Section 10 of the Illinois Trust Act. A law enforcement agency's continuing education program shall provide to the head of the agency or the head of the agency's designee continuing education concerning U and T nonimmigrant visas, and continuing education concerning cultural diversity awareness.

Section 125. The Code of Criminal Procedure of 1963 is amended by changing Section 113-8 and by adding Section 110-5.2 as follows:

(725 ILCS 5/110-5.2 new)

Sec. 110-5.2. Bail for persons subject to an immigration detainer. A person subject to an immigration detainer or administrative warrant shall not be denied bail solely on the basis of the immigration detainer or administrative warrant. Nothing in this Section may be construed to undermine the authority of a court to set bail or a bond determination under this Article.

(725 ILCS 5/113-8)

Sec. 113-8. Advisement concerning status as an alien. Before the acceptance of a plea of guilty, guilty but mentally ill, or nolo contendere to a misdemeanor or felony offense, the court shall give the following advisement to the defendant in open court:

"If you are not a citizen of the United States, you are hereby advised that conviction of the offense for which you have been charged may have the consequences of deportation, exclusion from admission to the United States, or denial of naturalization under the laws of the United States.".

Nothing in this Section shall be construed to authorize or direct any court to request that the defendant state his or her immigration or citizenship status, or to require that the defendant provide such information. (Source: P.A. 93-373, eff. 1-1-04.)

Section 130. The Probation and Probation Officers Act is amended by changing Section 12 as follows:

(730 ILCS 110/12) (from Ch. 38, par. 204-4)

Sec. 12. The duties of probation officers shall be:

(1) To investigate as required by Section 5-3-1 of the "Unified Code of Corrections", approved July 26, 1972, as amended, the case of any person to be placed on probation. Full opportunity shall be afforded a probation officer to confer with the person under investigation when such person is in custody.

(2) To notify the court of any previous conviction for crime or previous probation of any defendant invoking the provisions of this Act.

(3) All reports and notifications required in this Act to be made by probation officers shall be in writing and shall be filed by the clerk in the respective cases.

(4) To preserve complete and accurate records of cases investigated, including a description of the person investigated, the action of the court with respect to his case and his probation, the subsequent history of such person, if he becomes a probationer, during the continuance of his probation, which records shall be open to inspection by any judge or by any probation officer pursuant to order of court, but shall not be a public record, and its contents shall not be divulged otherwise than as above provided, except upon order of court; provided that nothing in this Section shall be construed to require or direct any probation officer to (A) inquire to the United States Department of Homeland Security regarding the citizenship or immigration status of a person or (B) provide to the United States Department of Homeland Security any personal information regarding that person, unless otherwise required by law.

(5) To take charge of and watch over all persons placed on probation under such regulations and for such terms as may be prescribed by the court, and giving to each probationer full instructions as to the terms of his release upon probation and requiring from him such periodical reports as shall keep the officer informed as to his conduct.

(6) To develop and operate programs of reasonable public or community service for any persons ordered by the court to perform public or community service, providing, however, that no probation officer or any employee of a probation office acting in the course of his official duties shall be liable for any tortious acts of any person performing public or community service except for wilful misconduct or gross negligence on the part of the probation officer or employee.

(7) When any person on probation removes from the county where his offense was committed, it shall be the duty of the officer under whose care he was placed to report the facts to the probation officer in the county to which the probationer has removed; and it shall thereupon become the duty of such probation officer to take charge of and watch over said probationer the same as if the case originated in that county; and for that purpose he shall have the same power and authority over said probationer as if he had been originally placed in said officer's charge; and such officer shall be required to report in writing every 6 months, or more frequently upon request the results of his supervision to the probation officer in whose charge the said probationer was originally placed by the court.

(8) To authorize travel permits to individuals under their supervision unless otherwise ordered by the court.

(9) To perform such other duties as are provided for in this act or by rules of court and such incidental duties as may be implied from those expressly required.

(10) To send written notification to a public housing agency if a person on probation for a felony who is under the supervision of the probation officer informs the probation officer that he or she has resided, resides, or will reside at an address that is a housing facility owned, managed, operated, or leased by that public housing agency.

(11) If a person on probation for a felony offense who is under the supervision of the probation officer becomes a resident of a facility licensed or regulated by the Department of Public Health, the Illinois Department of Public Aid, or Illinois Department of Human Services, the probation officer shall within 3 days of the person becoming a resident, notify the licensing or regulating Department and licensed or regulated facility and shall provide the licensed or regulated facility and licensing or regulating Department with copies of the following:

(a) (blank);

(b) any applicable probation orders and corresponding compliance plans;

(c) the name and contact information for the assigned probation officer.

(Source: P.A. 94-163, eff. 7-11-05; 94-752, eff. 5-10-06.)

Section 135. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2AA as follows:

(815 ILCS 505/2AA)

Sec. 2AA. Immigration services.

(a) "Immigration matter" means any proceeding, filing, or action affecting the nonimmigrant, immigrant or citizenship status of any person that arises under immigration and naturalization law, executive order or presidential proclamation of the United States or any foreign country, or that arises under action of the United States Citizenship and Immigration Services, the United States Department of Labor, or the United States Department of State.

"Immigration assistance service" means any information or action provided or offered to customers or prospective customers related to immigration matters, excluding legal advice, recommending a specific course of legal action, or providing any other assistance that requires legal analysis, legal judgment, or interpretation of the law.

"Compensation" means money, property, services, promise of payment, or anything else of value.

"Employed by" means that a person is on the payroll of the employer and the employer deducts from the employee's paycheck social security and withholding taxes, or receives compensation from the employer on a commission basis or as an independent contractor.

"Reasonable costs" means actual costs or, if actual costs cannot be calculated, reasonably estimated costs of such things as photocopying, telephone calls, document requests, and filing fees for immigration forms, and other nominal costs incidental to assistance in an immigration matter.

(a-1) The General Assembly finds and declares that private individuals who assist persons with immigration matters have a significant impact on the ability of their clients to reside and work within the United States and to establish and maintain stable families and business relationships. The General Assembly further finds that that assistance and its impact also have a significant effect on the cultural, social, and economic life of the State of Illinois and thereby substantially affect the public interest. It is the intent of the General Assembly to establish rules of practice and conduct for those individuals to promote honesty and fair dealing with residents and to preserve public confidence.

(a-5) The following persons are exempt from this Section, provided they prove the exemption by a preponderance of the evidence:

(1) An attorney licensed to practice law in any state or territory of the United States, or of any foreign country when authorized by the Illinois Supreme Court, to the extent the attorney renders immigration assistance service in the course of his or her practice as an attorney.

(2) A legal intern, as described by the rules of the Illinois Supreme Court, employed by and under the direct supervision of a licensed attorney and rendering immigration assistance service in the course of the intern's employment.

(3) A not-for-profit organization recognized by the Board of Immigration Appeals under 8 C.F.R. 292.2(a) and employees of those organizations accredited under 8 C.F.R. 292.2(d).

(4) Any organization employing or desiring to employ a documented or undocumented immigrant or nonimmigrant alien, where the organization, its employees or its agents provide advice or assistance in immigration matters to documented or undocumented immigrant or nonimmigrant alien employees or potential employees without compensation from the individuals to whom such advice or assistance is provided.

Nothing in this Section shall regulate any business to the extent that such regulation is prohibited or preempted by State or federal law.

All other persons providing or offering to provide immigration assistance service shall be subject to this Section.

(b) Any person who provides or offers to provide immigration assistance service may perform only the following services:

(1) Completing a government agency form, requested by the customer and appropriate to the customer's needs, only if the completion of that form does not involve a legal judgment for that particular matter.

(2) Transcribing responses to a government agency form which is related to an immigration matter, but not advising a customer as to his or her answers on those forms.

(3) Translating information on forms to a customer and translating the customer's answers to questions posed on those forms.

(4) Securing for the customer supporting documents currently in existence, such as birth and marriage certificates, which may be needed to be submitted with government agency forms.

(5) Translating documents from a foreign language into English.

(6) Notarizing signatures on government agency forms, if the person performing the service is a notary public of the State of Illinois.

(7) Making referrals, without fee, to attorneys who could undertake legal representation for a person in an immigration matter.

(8) Preparing or arranging for the preparation of photographs and fingerprints.

(9) Arranging for the performance of medical testing (including X-rays and AIDS tests) and the obtaining of reports of such test results.

(10) Conducting English language and civics courses.

(11) Other services that the Attorney General determines by rule may be appropriately performed by such persons in light of the purposes of this Section.

Fees for a notary public, agency, or any other person who is not an attorney or an accredited representative filling out immigration forms shall be limited to the maximum fees set forth in subsections (a) and (b) of Section 3-104 of the Notary Public Act (5 ILCS 312/3-104). The maximum fee schedule set forth in subsections (a) and (b) of Section 3-104 of the Notary Public Act shall apply to any person that provides or offers to provide immigration assistance service performing the services described therein. The Attorney General may promulgate rules establishing maximum fees that may be charged for any services not described in that subsection. The maximum fees must be reasonable in light of the costs of providing those services and the degree of professional skill required to provide the services.

No person subject to this Act shall charge fees directly or indirectly for referring an individual to an attorney or for any immigration matter not authorized by this Article, provided that a person may charge a fee for notarizing documents as permitted by the Illinois Notary Public Act.

(c) Any person performing such services shall register with the Illinois Attorney General and submit verification of malpractice insurance or of a surety bond.

(d) Except as provided otherwise in this subsection, before providing any assistance in an immigration matter a person shall provide the customer with a written contract that includes the following:

(1) An explanation of the services to be performed.

(2) Identification of all compensation and costs to be charged to the customer for the services to be performed.

(3) A statement that documents submitted in support of an application for nonimmigrant, immigrant, or naturalization status may not be retained by the person for any purpose, including payment of compensation or costs.

This subsection does not apply to a not-for-profit organization that provides advice or assistance in immigration matters to clients without charge beyond a reasonable fee to reimburse the organization's or clinic's reasonable costs relating to providing immigration services to that client.

(e) Any person who provides or offers immigration assistance service and is not exempted from this Section, shall post signs at his or her place of business, setting forth information in English and in every other language in which the person provides or offers to provide immigration assistance service. Each language shall be on a separate sign. Signs shall be posted in a location where the signs will be visible to customers. Each sign shall be at least 11 inches by 17 inches, and shall contain the following:

(1) The statement "I AM NOT AN ATTORNEY LICENSED TO PRACTICE LAW AND MAY NOT GIVE LEGAL

ADVICE OR ACCEPT FEES FOR LEGAL ADVICE."

(2) The statement "I AM NOT ACCREDITED TO REPRESENT YOU BEFORE THE UNITED STATES

IMMIGRATION AND NATURALIZATION SERVICE AND THE IMMIGRATION BOARD OF APPEALS."

(3) The fee schedule.

(4) The statement that "You may cancel any contract within 3 working days and get your money back for services not performed."

(5) Additional information the Attorney General may require by rule.

Every person engaged in immigration assistance service who is not an attorney who advertises immigration assistance service in a language other than English, whether by radio, television, signs, pamphlets, newspapers, or other written communication, with the exception of a single desk plaque, shall include in the document, advertisement, stationery, letterhead, business card, or other comparable written material the following notice in English and the language in which the written communication appears. This notice shall be of a conspicuous size, if in writing, and shall state: "I AM NOT AN ATTORNEY LICENSED TO PRACTICE LAW IN ILLINOIS AND MAY NOT GIVE LEGAL ADVICE OR ACCEPT FEES FOR LEGAL ADVICE." If such advertisement is by radio or television, the statement may be modified but must include substantially the same message.

Any person who provides or offers immigration assistance service and is not exempted from this Section shall not, in any document, advertisement, stationery, letterhead, business card, or other comparable written material, literally translate from English into another language terms or titles including, but not limited to, notary public, notary, licensed, attorney, lawyer, or any other term that implies the person is an attorney. To illustrate, the words "notario" and "poder notarial" are prohibited under this provision.

If not subject to penalties under subsection (a) of Section 3-103 of the Notary Public Act (5 ILCS 312/3-103), violations of this subsection shall result in a fine of $1,000. Violations shall not preempt or preclude additional appropriate civil or criminal penalties.

(f) The written contract shall be in both English and in the language of the customer.

(g) A copy of the contract shall be provided to the customer upon the customer's execution of the contract.

(h) A customer has the right to rescind a contract within 72 hours after his or her signing of the contract.

(i) Any documents identified in paragraph (3) of subsection (c) shall be returned upon demand of the customer.

(j) No person engaged in providing immigration services who is not exempted under this Section shall do any of the following:

(1) Make any statement that the person can or will obtain special favors from or has special influence with the United States Immigration and Naturalization Service or any other government agency.

(2) Retain any compensation for service not performed.

(2.5) Accept payment in exchange for providing legal advice or any other assistance that requires legal analysis, legal judgment, or interpretation of the law.

(3) Refuse to return documents supplied by, prepared on behalf of, or paid for by the customer upon the request of the customer. These documents must be returned upon request even if there is a fee dispute between the immigration assistant and the customer.

(4) Represent or advertise, in connection with the provision assistance in immigration matters, other titles of credentials, including but not limited to "notary public" or "immigration consultant," that could cause a customer to believe that the person possesses special professional skills or is authorized to provide advice on an immigration matter; provided that a notary public appointed by the Illinois Secretary of State may use the term "notary public" if the use is accompanied by the statement that the person is not an attorney; the term "notary public" may not be translated to another language; for example "notario" is prohibited.

(5) Provide legal advice, recommend a specific course of legal action, or provide any other assistance that requires legal analysis, legal judgment, or interpretation of the law.

(6) Make any misrepresentation of false statement, directly or indirectly, to influence, persuade, or induce patronage.

(k) (Blank)

(l) (Blank)

(m) Any person who violates any provision of this Section, or the rules and regulations issued under this Section, shall be guilty of a Class A misdemeanor for a first offense and a Class 3 felony for a second or subsequent offense committed within 5 years of a previous conviction for the same offense.

Upon his own information or upon the complaint of any person, the Attorney General or any State's Attorney, or a municipality with a population of more than 1,000,000, may maintain an action for injunctive relief and also seek a civil penalty not exceeding $50,000 in the circuit court against any person who violates any provision of this Section. These remedies are in addition to, and not in substitution for, other available remedies.

Notwithstanding this subsection (m), any ~~If the Attorney General or any State's Attorney or a municipality with a population of more than 1,000,000 fails to bring an action as provided under this Section any~~ person may file a civil action to enforce the provisions of this Article and maintain an action

for injunctive relief, for compensatory damages to recover prohibited fees, or for such additional relief as may be appropriate to deter, prevent, or compensate for the violation. In order to deter violations of this Section, courts shall not require a showing of the traditional elements for equitable relief. A prevailing plaintiff may be awarded 3 times the prohibited fees or a minimum of $1,000 in punitive damages, attorney's fees, and costs of bringing an action under this Section. It is the express intention of the General Assembly that remedies for violation of this Section be cumulative.

(n) No unit of local government, including any home rule unit, shall have the authority to regulate immigration assistance services unless such regulations are at least as stringent as those contained in this amendatory Act of 1992. It is declared to be the law of this State, pursuant to paragraph (i) of Section 6 of Article VII of the Illinois Constitution of 1970, that this amendatory Act of 1992 is a limitation on the authority of a home rule unit to exercise powers concurrently with the State. The limitations of this Section do not apply to a home rule unit that has, prior to the effective date of this amendatory Act, adopted an ordinance regulating immigration assistance services.

(o) This Section is severable under Section 1.31 of the Statute on Statutes.

(p) The Attorney General shall issue rules not inconsistent with this Section for the implementation, administration, and enforcement of this Section. The rules may provide for the following:

(1) The content, print size, and print style of the signs required under subsection (e).

Print sizes and styles may vary from language to language.

(2) Standard forms for use in the administration of this Section.

(3) Any additional requirements deemed necessary.

(Source: P.A. 99-679, eff. 1-1-17.)

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.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILLS OF THE SENATE A THIRD TIME**

On motion of Senator J. Cullerton, **Senate Bill No. 31** having been transcribed and typed and all amendments adopted thereto having been printed, 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 31; NAYS 21; Present 1.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Aquino | Harmon | Link | Raoul |
| Bennett | Hastings | Manar | Sandoval |
| Bertino-Tarrant | Holmes | Martinez | Stadelman |
| Biss | Hunter | McGuire | Steans |
| Bush | Hutchinson | Morrison | Trotter |
| Castro | Koehler | Mulroe | Van Pelt |
| Clayborne | Landek | Muñoz | Mr. President |
| Cullerton, T. | Lightford | Murphy | |

The following voted in the negative:

| | | | |
|---|---|---|---|
| Althoff | Fowler | Oberweis | Syverson |
| Anderson | McCann | Rezin | Tracy |
| Barickman | McCarter | Righter | Weaver |
| Bivins | McConchie | Rooney | |

| | | |
|---|---|---|
| Brady | McConnaughay | Rose |
| Connelly | Nybo | Schimpf |

The following voted present:

Radogno

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

On motion of Senator Manar, **Senate Bill No. 567** having been transcribed and typed and all amendments adopted thereto having been printed, 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 49; NAY 1.

The following voted in the affirmative:

| | | | |
|---|---|---|---|
| Althoff | Fowler | McConnaughay | Rose |
| Anderson | Harmon | McGuire | Sandoval |
| Aquino | Hastings | Morrison | Stadelman |
| Bennett | Holmes | Mulroe | Steans |
| Bertino-Tarrant | Hunter | Muñoz | Syverson |
| Biss | Hutchinson | Murphy | Tracy |
| Brady | Landek | Nybo | Trotter |
| Bush | Lightford | Oberweis | Van Pelt |
| Castro | Link | Radogno | Weaver |
| Clayborne | Manar | Raoul | Mr. President |
| Connelly | Martinez | Rezin | |
| Cullerton, T. | McCann | Righter | |
| Cunningham | McConchie | Rooney | |

The following voted in the negative:

Schimpf

This bill, having received the vote of a constitutional majority 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 and ask their concurrence therein.

**READING BILLS OF THE SENATE A SECOND TIME**

On motion of Senator J. Cullerton, **Senate Bill No. 1439** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Cunningham, **Senate Bill No. 1980** having been printed, was taken up, read by title a second time.

Committee Amendment No. 1 was held in the Committee on Assignments.

The following amendment was offered in the Committee on Criminal Law, adopted and ordered printed:

**AMENDMENT NO. 2 TO SENATE BILL 1980**

AMENDMENT NO. 2. Amend Senate Bill 1980 by replacing everything after the enacting clause with the following:

"Section 5. The Code of Criminal Procedure of 1963 is amended by changing Sections 110-4 and 110-10 as follows:

(725 ILCS 5/110-4) (from Ch. 38, par. 110-4)

Sec. 110-4. Bailable Offenses.

(a) All persons shall be bailable before conviction, except the following offenses where the proof is evident or the presumption great that the defendant is guilty of the offense:

(1) capital offenses;

(2) offenses for which a sentence of life imprisonment may be imposed as a consequence of conviction;

(3) felony offenses for which a sentence of imprisonment, without conditional and revocable release, shall be imposed by law as a consequence of conviction, where the court after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of any person or persons;

(4) stalking or aggravated stalking, where the court, after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of the alleged victim of the offense and denial of bail is necessary to prevent fulfillment of the threat upon which the charge is based; ~~or~~

(5) a violation of Section 24-1.1, 24-1.2, 24-1.2-5, 24-1.6, 24-1.7, or 24-1.8 of the Criminal Code of 1961 or the Criminal Code of 2012 or unlawful use of weapons in violation of item (4) of subsection (a) of Section 24-1 of the Criminal Code of 1961 or the Criminal Code of 2012 when that offense occurred in a school or in any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school, where the court, after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of any person and denial of bail is necessary to prevent fulfillment of that threat; or

(6) making a terrorist threat in violation of Section 29D-20 of the Criminal Code of 1961 or the Criminal Code of 2012 or an attempt to commit the offense of making a terrorist threat, where the court, after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of any person and denial of bail is necessary to prevent fulfillment of that threat.

(a-5) If bail is set for any offense under this Section including, but not limited to, an offense in paragraph (5) of subsection (a) of this Section, the State's Attorney may request a source of bail hearing under subsection (b-5) of Section 110-5 of this Article.

(b) A person seeking release on bail who is charged with a capital offense or an offense for which a sentence of life imprisonment may be imposed shall not be bailable until a hearing is held wherein such person has the burden of demonstrating that the proof of his guilt is not evident and the presumption is not great.

(c) Where it is alleged that bail should be denied to a person upon the grounds that the person presents a real and present threat to the physical safety of any person or persons, the burden of proof of such allegations shall be upon the State.

(d) When it is alleged that bail should be denied to a person charged with stalking or aggravated stalking upon the grounds set forth in Section 110-6.3 of this Code, the burden of proof of those allegations shall be upon the State.

(Source: P.A. 97-1150, eff. 1-25-13.)

(725 ILCS 5/110-10) (from Ch. 38, par. 110-10)

Sec. 110-10. Conditions of bail bond.

(a) If a person is released prior to conviction, either upon payment of bail security or on his or her own recognizance, the conditions of the bail bond shall be that he or she will:

(1) Appear to answer the charge in the court having jurisdiction on a day certain and thereafter as ordered by the court until discharged or final order of the court;

(2) Submit himself or herself to the orders and process of the court;

(3) Not depart this State without leave of the court;

(4) Not violate any criminal statute of any jurisdiction;

(5) At a time and place designated by the court, surrender all firearms in his or her

possession to a law enforcement officer designated by the court to take custody of and impound the firearms and physically surrender his or her Firearm Owner's Identification Card to the clerk of the circuit court when the offense the person has been charged with is a forcible felony, stalking, aggravated stalking, domestic battery, any violation of the Illinois Controlled Substances Act, the Methamphetamine Control and Community Protection Act, or the Cannabis Control Act that is classified as a Class 2 or greater felony, or any felony violation of Article 24 of the Criminal Code of 1961 or the Criminal Code of 2012 not subject to paragraph (5.5) of this Section; the court may, however, forgo the imposition of this condition when the circumstances of the case clearly do not warrant it or when its imposition would be impractical; if the Firearm Owner's Identification Card is confiscated, the clerk of the circuit court shall mail the confiscated card to the Department of ~~Illinois~~ State Police; all legally possessed firearms shall be returned to the person upon the charges being dismissed, or if the person is found not guilty, unless the finding of not guilty is by reason of insanity; ~~and~~

(5.5) At a time and place designated by the court, surrender all firearms in his or her possession to a law enforcement officer designated by the court to take custody of and impound the firearms and physically surrender his or her Firearm Owner's Identification Card to the clerk of the circuit court when the offense the person has been charged with is a violation of paragraph (4) of subsection (a) of Section 24-1 of the Criminal Code of 1961 or Criminal Code of 2012, when that offense occurred in a school or in any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school, or a violation of Section 24-1.1, 24-1.2, 24-1.25, 24-1.6, 24-4.7, or 24-1.8 of the Criminal Code of 1961 or the Criminal Code of 2012; if the Firearm Owner's Identification Card is confiscated, the clerk of the circuit court shall mail the confiscated card to the Department of State Police; all legally possessed firearms shall be returned to the person upon the charges being dismissed, or if the person is found not guilty, unless the finding of not guilty is by reason of insanity; and

(6) At a time and place designated by the court, submit to a psychological evaluation when the person has been charged with a violation of item (4) of subsection (a) of Section 24-1 of the Criminal Code of 1961 or the Criminal Code of 2012 and that violation occurred in a school or in any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school.

Psychological evaluations ordered pursuant to this Section shall be completed promptly and made available to the State, the defendant, and the court. As a further condition of bail under these circumstances, the court shall order the defendant to refrain from entering upon the property of the school, including any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school. Upon receipt of the psychological evaluation, either the State or the defendant may request a change in the conditions of bail, pursuant to Section 110-6 of this Code. The court may change the conditions of bail to include a requirement that the defendant follow the recommendations of the psychological evaluation, including undergoing psychiatric treatment. The conclusions of the psychological evaluation and any statements elicited from the defendant during its administration are not admissible as evidence of guilt during the course of any trial on the charged offense, unless the defendant places his or her mental competency in issue.

(b) The court may impose other conditions, such as the following, if the court finds that such conditions are reasonably necessary to assure the defendant's appearance in court, protect the public from the defendant, or prevent the defendant's unlawful interference with the orderly administration of justice:

(1) Report to or appear in person before such person or agency as the court may direct;

(2) Refrain from possessing a firearm or other dangerous weapon;

(3) Refrain from approaching or communicating with particular persons or classes of persons;

(4) Refrain from going to certain described geographical areas or premises;

(5) Refrain from engaging in certain activities or indulging in intoxicating liquors or in certain drugs;

(6) Undergo treatment for drug addiction or alcoholism;

(7) Undergo medical or psychiatric treatment;

(8) Work or pursue a course of study or vocational training;

(9) Attend or reside in a facility designated by the court;

(10) Support his or her dependents;

(11) If a minor resides with his or her parents or in a foster home, attend school,

attend a non-residential program for youths, and contribute to his or her own support at home or in a foster home;

(12) Observe any curfew ordered by the court;

(13) Remain in the custody of such designated person or organization agreeing to supervise his release. Such third party custodian shall be responsible for notifying the court if the defendant fails to observe the conditions of release which the custodian has agreed to monitor, and shall be subject to contempt of court for failure so to notify the court;

(14) Be placed under direct supervision of the Pretrial Services Agency, Probation Department or Court Services Department in a pretrial bond home supervision capacity with or without the use of an approved electronic monitoring device subject to Article 8A of Chapter V of the Unified Code of Corrections;

(14.1) The court shall impose upon a defendant who is charged with any alcohol, cannabis, methamphetamine, or controlled substance violation and is placed under direct supervision of the Pretrial Services Agency, Probation Department or Court Services Department in a pretrial bond home supervision capacity with the use of an approved monitoring device, as a condition of such bail bond, a fee that represents costs incidental to the electronic monitoring for each day of such bail supervision ordered by the court, unless after determining the inability of the defendant to pay the fee, the court assesses a lesser fee or no fee as the case may be. The fee shall be collected by the clerk of the circuit court, except as provided in an administrative order of the Chief Judge of the circuit court. The clerk of the circuit court shall pay all monies collected from this fee to the county treasurer for deposit in the substance abuse services fund under Section 5-1086.1 of the Counties Code, except as provided in an administrative order of the Chief Judge of the circuit court.

The Chief Judge of the circuit court of the county may by administrative order establish a program for electronic monitoring of offenders with regard to drug-related and alcohol-related offenses, in which a vendor supplies and monitors the operation of the electronic monitoring device, and collects the fees on behalf of the county. The program shall include provisions for indigent offenders and the collection of unpaid fees. The program shall not unduly burden the offender and shall be subject to review by the Chief Judge.

The Chief Judge of the circuit court may suspend any additional charges or fees for late payment, interest, or damage to any device;

(14.2) The court shall impose upon all defendants, including those defendants subject to paragraph (14.1) above, placed under direct supervision of the Pretrial Services Agency, Probation Department or Court Services Department in a pretrial bond home supervision capacity with the use of an approved monitoring device, as a condition of such bail bond, a fee which shall represent costs incidental to such electronic monitoring for each day of such bail supervision ordered by the court, unless after determining the inability of the defendant to pay the fee, the court assesses a lesser fee or no fee as the case may be. The fee shall be collected by the clerk of the circuit court, except as provided in an administrative order of the Chief Judge of the circuit court. The clerk of the circuit court shall pay all monies collected from this fee to the county treasurer who shall use the monies collected to defray the costs of corrections. The county treasurer shall deposit the fee collected in the county working cash fund under Section 6-27001 or Section 6-29002 of the Counties Code, as the case may be, except as provided in an administrative order of the Chief Judge of the circuit court.

The Chief Judge of the circuit court of the county may by administrative order establish a program for electronic monitoring of offenders with regard to drug-related and alcohol-related offenses, in which a vendor supplies and monitors the operation of the electronic monitoring device, and collects the fees on behalf of the county. The program shall include provisions for indigent offenders and the collection of unpaid fees. The program shall not unduly burden the offender and shall be subject to review by the Chief Judge.

The Chief Judge of the circuit court may suspend any additional charges or fees for late payment, interest, or damage to any device;

(14.3) The Chief Judge of the Judicial Circuit may establish reasonable fees to be paid by a person receiving pretrial services while under supervision of a pretrial services agency, probation department, or court services department. Reasonable fees may be charged for pretrial services including, but not limited to, pretrial supervision, diversion programs, electronic monitoring, victim impact services, drug and alcohol testing, DNA testing, GPS electronic monitoring, assessments and evaluations related to domestic violence and other victims, and victim mediation services. The person receiving pretrial services may be ordered to pay all costs incidental to pretrial services in accordance with his or her ability to pay those costs;

(14.4) For persons charged with violating Section 11-501 of the Illinois Vehicle Code,

refrain from operating a motor vehicle not equipped with an ignition interlock device, as defined in Section 1-129.1 of the Illinois Vehicle Code, pursuant to the rules promulgated by the Secretary of State for the installation of ignition interlock devices. Under this condition the court may allow a defendant who is not self-employed to operate a vehicle owned by the defendant's employer that is not equipped with an ignition interlock device in the course and scope of the defendant's employment;

(15) Comply with the terms and conditions of an order of protection issued by the court under the Illinois Domestic Violence Act of 1986 or an order of protection issued by the court of another state, tribe, or United States territory;

(16) Under Section 110-6.5 comply with the conditions of the drug testing program; and

(17) Such other reasonable conditions as the court may impose.

(c) When a person is charged with an offense under Section 11-1.20, 11-1.30, 11-1.40, 11-1.50, 11-1.60, 12-13, 12-14, 12-14.1, 12-15 or 12-16 of the Criminal Code of 1961 or the Criminal Code of 2012, involving a victim who is a minor under 18 years of age living in the same household with the defendant at the time of the offense, in granting bail or releasing the defendant on his own recognizance, the judge shall impose conditions to restrict the defendant's access to the victim which may include, but are not limited to conditions that he will:

1. Vacate the household.

2. Make payment of temporary support to his dependents.

3. Refrain from contact or communication with the child victim, except as ordered by the court.

(d) When a person is charged with a criminal offense and the victim is a family or household member as defined in Article 112A, conditions shall be imposed at the time of the defendant's release on bond that restrict the defendant's access to the victim. Unless provided otherwise by the court, the restrictions shall include requirements that the defendant do the following:

(1) refrain from contact or communication with the victim for a minimum period of 72 hours following the defendant's release; and

(2) refrain from entering or remaining at the victim's residence for a minimum period of 72 hours following the defendant's release.

(e) Local law enforcement agencies shall develop standardized bond forms for use in cases involving family or household members as defined in Article 112A, including specific conditions of bond as provided in subsection (d). Failure of any law enforcement department to develop or use those forms shall in no way limit the applicability and enforcement of subsections (d) and (f).

(f) If the defendant is admitted to bail after conviction the conditions of the bail bond shall be that he will, in addition to the conditions set forth in subsections (a) and (b) hereof:

(1) Duly prosecute his appeal;

(2) Appear at such time and place as the court may direct;

(3) Not depart this State without leave of the court;

(4) Comply with such other reasonable conditions as the court may impose; and

(5) If the judgment is affirmed or the cause reversed and remanded for a new trial, forthwith surrender to the officer from whose custody he was bailed.

(g) Upon a finding of guilty for any felony offense, the defendant shall physically surrender, at a time and place designated by the court, any and all firearms in his or her possession and his or her Firearm Owner's Identification Card as a condition of remaining on bond pending sentencing.
(Source: P.A. 99-797, eff. 8-12-16.)".

Senator Cunningham offered the following amendment and moved its adoption:

**AMENDMENT NO. 3 TO SENATE BILL 1980**

AMENDMENT NO. _3_. Amend Senate Bill 1980, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Code of Criminal Procedure of 1963 is amended by changing Sections 110-4 and 110-10 as follows:

(725 ILCS 5/110-4) (from Ch. 38, par. 110-4)

Sec. 110-4. Bailable Offenses.

(a) All persons shall be bailable before conviction, except the following offenses where the proof is evident or the presumption great that the defendant is guilty of the offense:

(1) capital offenses;

(2) offenses for which a sentence of life imprisonment may be imposed as a consequence of

conviction;

(3) felony offenses for which a sentence of imprisonment, without conditional and revocable release, shall be imposed by law as a consequence of conviction, where the court after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of any person or persons;

(4) stalking or aggravated stalking, where the court, after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of the alleged victim of the offense and denial of bail is necessary to prevent fulfillment of the threat upon which the charge is based; ~~or~~

(5) unlawful use of weapons in violation of item (4) of subsection (a) of Section 24-1 of the Criminal Code of 1961 or the Criminal Code of 2012 when that offense occurred in a school or in any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school, a violation of Section 24-1.2, 24-1.2-5, 24-1.6, or 24-1.7 of the Criminal Code of 1961 or the Criminal Code of 2012, or a violation of Section 24-1.1 of the Criminal Code of 1961 or the Criminal Code of 2012 if the defendant has previously been convicted of a forcible felony as defined in Section 2-8 of the Criminal Code of 2012, where the court, after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of any person and denial of bail is necessary to prevent fulfillment of that threat; or

(6) making a terrorist threat in violation of Section 29D-20 of the Criminal Code of 1961 or the Criminal Code of 2012 or an attempt to commit the offense of making a terrorist threat, where the court, after a hearing, determines that the release of the defendant would pose a real and present threat to the physical safety of any person and denial of bail is necessary to prevent fulfillment of that threat.

(a-5) If bail is set for any offense under this Section including, but not limited to, an offense in paragraph (5) of subsection (a) of this Section, the State's Attorney may request a source of bail hearing under subsection (b-5) of Section 110-5 of this Article.

(b) A person seeking release on bail who is charged with a capital offense or an offense for which a sentence of life imprisonment may be imposed shall not be bailable until a hearing is held wherein such person has the burden of demonstrating that the proof of his guilt is not evident and the presumption is not great.

(c) Where it is alleged that bail should be denied to a person upon the grounds that the person presents a real and present threat to the physical safety of any person or persons, the burden of proof of such allegations shall be upon the State.

(d) When it is alleged that bail should be denied to a person charged with stalking or aggravated stalking upon the grounds set forth in Section 110-6.3 of this Code, the burden of proof of those allegations shall be upon the State.

(Source: P.A. 97-1150, eff. 1-25-13.)

(725 ILCS 5/110-10) (from Ch. 38, par. 110-10)

Sec. 110-10. Conditions of bail bond.

(a) If a person is released prior to conviction, either upon payment of bail security or on his or her own recognizance, the conditions of the bail bond shall be that he or she will:

(1) Appear to answer the charge in the court having jurisdiction on a day certain and thereafter as ordered by the court until discharged or final order of the court;

(2) Submit himself or herself to the orders and process of the court;

(3) Not depart this State without leave of the court;

(4) Not violate any criminal statute of any jurisdiction;

(5) At a time and place designated by the court, surrender all firearms in his or her possession to a law enforcement officer designated by the court to take custody of and impound the firearms and physically surrender his or her Firearm Owner's Identification Card to the clerk of the circuit court when the offense the person has been charged with is a forcible felony, stalking, aggravated stalking, domestic battery, any violation of the Illinois Controlled Substances Act, the Methamphetamine Control and Community Protection Act, or the Cannabis Control Act that is classified as a Class 2 or greater felony, or any felony violation of Article 24 of the Criminal Code of 1961 or the Criminal Code of 2012 not subject to paragraph (5.5) of this Section; the court may, however, forgo the imposition of this condition when the circumstances of the case clearly do not warrant it or when its imposition would be impractical; if the Firearm Owner's Identification Card is confiscated, the clerk of the circuit court shall mail the confiscated card to the Department of ~~Illinois~~ State Police; all legally possessed firearms shall be returned to the person upon the charges being

dismissed, or if the person is found not guilty, unless the finding of not guilty is by reason of insanity; ~~and~~

(5.5) At a time and place designated by the court, surrender all firearms in his or her possession to a law enforcement officer designated by the court to take custody of and impound the firearms and physically surrender his or her Firearm Owner's Identification Card to the clerk of the circuit court when the offense the person has been charged with is a violation of paragraph (4) of subsection (a) of Section 24-1 of the Criminal Code of 1961 or Criminal Code of 2012, when that offense occurred in a school or in any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school, a violation of Section 24-1.2, 24-1.25, 24-1.6, or 24-4.7 of the Criminal Code of 1961 or the Criminal Code of 2012, or a violation of Section 24-1.1 of the Criminal Code of 1961 or the Criminal Code of 2012 if the defendant has previously been convicted of a forcible felony as defined in Section 2-8 of the Criminal Code of 2012; if the Firearm Owner's Identification Card is confiscated, the clerk of the circuit court shall mail the confiscated card to the Department of State Police; all legally possessed firearms shall be returned to the person upon the charges being dismissed, or if the person is found not guilty, unless the finding of not guilty is by reason of insanity; or

(6) At a time and place designated by the court, submit to a psychological evaluation when the person has been charged with a violation of item (4) of subsection (a) of Section 24-1 of the Criminal Code of 1961 or the Criminal Code of 2012 and that violation occurred in a school or in any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school.

Psychological evaluations ordered pursuant to this Section shall be completed promptly and made available to the State, the defendant, and the court. As a further condition of bail under these circumstances, the court shall order the defendant to refrain from entering upon the property of the school, including any conveyance owned, leased, or contracted by a school to transport students to or from school or a school-related activity, or on any public way within 1,000 feet of real property comprising any school. Upon receipt of the psychological evaluation, either the State or the defendant may request a change in the conditions of bail, pursuant to Section 110-6 of this Code. The court may change the conditions of bail to include a requirement that the defendant follow the recommendations of the psychological evaluation, including undergoing psychiatric treatment. The conclusions of the psychological evaluation and any statements elicited from the defendant during its administration are not admissible as evidence of guilt during the course of any trial on the charged offense, unless the defendant places his or her mental competency in issue.

(b) The court may impose other conditions, such as the following, if the court finds that such conditions are reasonably necessary to assure the defendant's appearance in court, protect the public from the defendant, or prevent the defendant's unlawful interference with the orderly administration of justice:

(1) Report to or appear in person before such person or agency as the court may direct;

(2) Refrain from possessing a firearm or other dangerous weapon;

(3) Refrain from approaching or communicating with particular persons or classes of persons;

(4) Refrain from going to certain described geographical areas or premises;

(5) Refrain from engaging in certain activities or indulging in intoxicating liquors or in certain drugs;

(6) Undergo treatment for drug addiction or alcoholism;

(7) Undergo medical or psychiatric treatment;

(8) Work or pursue a course of study or vocational training;

(9) Attend or reside in a facility designated by the court;

(10) Support his or her dependents;

(11) If a minor resides with his or her parents or in a foster home, attend school, attend a non-residential program for youths, and contribute to his or her own support at home or in a foster home;

(12) Observe any curfew ordered by the court;

(13) Remain in the custody of such designated person or organization agreeing to supervise his release. Such third party custodian shall be responsible for notifying the court if the defendant fails to observe the conditions of release which the custodian has agreed to monitor, and shall be subject to contempt of court for failure so to notify the court;

(14) Be placed under direct supervision of the Pretrial Services Agency, Probation

Department or Court Services Department in a pretrial bond home supervision capacity with or without the use of an approved electronic monitoring device subject to Article 8A of Chapter V of the Unified Code of Corrections;

(14.1) The court shall impose upon a defendant who is charged with any alcohol, cannabis, methamphetamine, or controlled substance violation and is placed under direct supervision of the Pretrial Services Agency, Probation Department or Court Services Department in a pretrial bond home supervision capacity with the use of an approved monitoring device, as a condition of such bail bond, a fee that represents costs incidental to the electronic monitoring for each day of such bail supervision ordered by the court, unless after determining the inability of the defendant to pay the fee, the court assesses a lesser fee or no fee as the case may be. The fee shall be collected by the clerk of the circuit court, except as provided in an administrative order of the Chief Judge of the circuit court. The clerk of the circuit court shall pay all monies collected from this fee to the county treasurer for deposit in the substance abuse services fund under Section 5-1086.1 of the Counties Code, except as provided in an administrative order of the Chief Judge of the circuit court.

The Chief Judge of the circuit court of the county may by administrative order establish a program for electronic monitoring of offenders with regard to drug-related and alcohol-related offenses, in which a vendor supplies and monitors the operation of the electronic monitoring device, and collects the fees on behalf of the county. The program shall include provisions for indigent offenders and the collection of unpaid fees. The program shall not unduly burden the offender and shall be subject to review by the Chief Judge.

The Chief Judge of the circuit court may suspend any additional charges or fees for late payment, interest, or damage to any device;

(14.2) The court shall impose upon all defendants, including those defendants subject to paragraph (14.1) above, placed under direct supervision of the Pretrial Services Agency, Probation Department or Court Services Department in a pretrial bond home supervision capacity with the use of an approved monitoring device, as a condition of such bail bond, a fee which shall represent costs incidental to such electronic monitoring for each day of such bail supervision ordered by the court, unless after determining the inability of the defendant to pay the fee, the court assesses a lesser fee or no fee as the case may be. The fee shall be collected by the clerk of the circuit court, except as provided in an administrative order of the Chief Judge of the circuit court. The clerk of the circuit court shall pay all monies collected from this fee to the county treasurer who shall use the monies collected to defray the costs of corrections. The county treasurer shall deposit the fee collected in the county working cash fund under Section 6-27001 or Section 6-29002 of the Counties Code, as the case may be, except as provided in an administrative order of the Chief Judge of the circuit court.

The Chief Judge of the circuit court of the county may by administrative order establish a program for electronic monitoring of offenders with regard to drug-related and alcohol-related offenses, in which a vendor supplies and monitors the operation of the electronic monitoring device, and collects the fees on behalf of the county. The program shall include provisions for indigent offenders and the collection of unpaid fees. The program shall not unduly burden the offender and shall be subject to review by the Chief Judge.

The Chief Judge of the circuit court may suspend any additional charges or fees for late payment, interest, or damage to any device;

(14.3) The Chief Judge of the Judicial Circuit may establish reasonable fees to be paid by a person receiving pretrial services while under supervision of a pretrial services agency, probation department, or court services department. Reasonable fees may be charged for pretrial services including, but not limited to, pretrial supervision, diversion programs, electronic monitoring, victim impact services, drug and alcohol testing, DNA testing, GPS electronic monitoring, assessments and evaluations related to domestic violence and other victims, and victim mediation services. The person receiving pretrial services may be ordered to pay all costs incidental to pretrial services in accordance with his or her ability to pay those costs;

(14.4) For persons charged with violating Section 11-501 of the Illinois Vehicle Code, refrain from operating a motor vehicle not equipped with an ignition interlock device, as defined in Section 1-129.1 of the Illinois Vehicle Code, pursuant to the rules promulgated by the Secretary of State for the installation of ignition interlock devices. Under this condition the court may allow a defendant who is not self-employed to operate a vehicle owned by the defendant's employer that is not equipped with an ignition interlock device in the course and scope of the defendant's employment;

(15) Comply with the terms and conditions of an order of protection issued by the court under the Illinois Domestic Violence Act of 1986 or an order of protection issued by the court of another state, tribe, or United States territory;

(16) Under Section 110-6.5 comply with the conditions of the drug testing program; and

(17) Such other reasonable conditions as the court may impose.

(c) When a person is charged with an offense under Section 11-1.20, 11-1.30, 11-1.40, 11-1.50, 11-1.60, 12-13, 12-14, 12-14.1, 12-15 or 12-16 of the Criminal Code of 1961 or the Criminal Code of 2012, involving a victim who is a minor under 18 years of age living in the same household with the defendant at the time of the offense, in granting bail or releasing the defendant on his own recognizance, the judge shall impose conditions to restrict the defendant's access to the victim which may include, but are not limited to conditions that he will:

1. Vacate the household.

2. Make payment of temporary support to his dependents.

3. Refrain from contact or communication with the child victim, except as ordered by the court.

(d) When a person is charged with a criminal offense and the victim is a family or household member as defined in Article 112A, conditions shall be imposed at the time of the defendant's release on bond that restrict the defendant's access to the victim. Unless provided otherwise by the court, the restrictions shall include requirements that the defendant do the following:

(1) refrain from contact or communication with the victim for a minimum period of 72 hours following the defendant's release; and

(2) refrain from entering or remaining at the victim's residence for a minimum period of 72 hours following the defendant's release.

(e) Local law enforcement agencies shall develop standardized bond forms for use in cases involving family or household members as defined in Article 112A, including specific conditions of bond as provided in subsection (d). Failure of any law enforcement department to develop or use those forms shall in no way limit the applicability and enforcement of subsections (d) and (f).

(f) If the defendant is admitted to bail after conviction the conditions of the bail bond shall be that he will, in addition to the conditions set forth in subsections (a) and (b) hereof:

(1) Duly prosecute his appeal;

(2) Appear at such time and place as the court may direct;

(3) Not depart this State without leave of the court;

(4) Comply with such other reasonable conditions as the court may impose; and

(5) If the judgment is affirmed or the cause reversed and remanded for a new trial, forthwith surrender to the officer from whose custody he was bailed.

(g) Upon a finding of guilty for any felony offense, the defendant shall physically surrender, at a time and place designated by the court, any and all firearms in his or her possession and his or her Firearm Owner's Identification Card as a condition of remaining on bond pending sentencing.

(Source: P.A. 99-797, eff. 8-12-16.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments Numbered 2 and 3 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

Senator Trotter asked and obtained unanimous consent for a Democrat caucus to meet immediately upon adjournment.

Senator Althoff asked and obtained unanimous consent for a Republican caucus to meet immediately upon adjournment.

**COMMITTEE MEETING ANNOUNCEMENT**

The Chair announced the following committee to meet at 6:00 o'clock p.m.:

Education in Room 212

At the hour of 5:30 o'clock p.m., the Chair announced the Senate stand adjourned until Friday, May 5, 2017, at 9:30 o'clock a.m.