



SENATE JOURNAL

STATE OF ILLINOIS

NINETY-SEVENTH GENERAL ASSEMBLY

69TH LEGISLATIVE DAY

WEDNESDAY, NOVEMBER 9, 2011

1:09 O'CLOCK P.M.

SENATE
Daily Journal Index
69th Legislative Day

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The Senate met pursuant to adjournment.
Senator John M. Sullivan, Rushville, Illinois, presiding.
Prayer by Dr. Jerry Cain, Judson University, Elgin, Illinois.
Senator Jacobs led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Tuesday, November 8, 2011, be postponed, pending arrival of the printed Journal.
The motion prevailed.

LEGISLATIVE MEASURES FILED

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

Senate Floor Amendment No. 4 to Senate Bill 747

The following Floor amendment to the House Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 5 to House Bill 1883

MESSAGE FROM THE PRESIDENT

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

JOHN J. CULLERTON
SENATE PRESIDENT

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

November 9, 2011

Ms. Jillayne Rock
Secretary of the Senate
Room 403 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to the provisions of Senate Rule 2-10, I hereby establish November 10, 2011 as the 3rd Reading deadline for Senate Bill 774.

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

cc: Senate Republican Leader Christine Radogno

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 436

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

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SENATE RESOLUTION NO. 439

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

SENATE RESOLUTION NO. 440

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

SENATE RESOLUTION NO. 441

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

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

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

SENATE RESOLUTION NO. 434

WHEREAS, Energy policy and regulation are vital to Illinois' economy and have a direct impact on Illinois families, businesses, farmers, and employees; and

WHEREAS, The United States Environmental Protection Agency (EPA) has proposed or is proposing numerous new regulations, particularly in the area of air quality and regulation of greenhouse gases, that are likely to have major effect on the economy, jobs, and U.S. competitiveness in worldwide markets; and

WHEREAS, The EPA's regulatory activity as to air quality and greenhouse gases has become known as the "train wreck" because of the numerous and overlapping requirements and the potentially devastating consequences this activity may have on the economy; and

WHEREAS, Concern is growing that, with cap-and-trade legislation having failed in Congress, the EPA is attempting to obtain the same results through the adoption of regulations; and

WHEREAS, Neither the EPA nor the present Presidential administration has undertaken any comprehensive study of what the cumulative effect of all of this new regulatory activity will have on the economy, jobs, and competitiveness; moreover, the EPA has not performed any comprehensive study of what the environmental benefits of its greenhouse regulation will be in terms of impacts on global climate; and

WHEREAS, Illinois State agencies are routinely required to identify the costs of their regulations and to justify those costs in light of the benefits; and

WHEREAS, The Illinois Senate supports continuing improvements in the quality of the nation's air and believes that such improvements can be made in a sensible fashion without damaging the economy so long as there is a full understanding of the cost of the regulations at issue; and

WHEREAS, The primary goal of government at the present time must be to promote economic recovery and to foster a stable and predictable business environment that will lead to the creation of jobs; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge President Obama to sign an Executive Order prohibiting the Environmental Protection Agency from regulating greenhouse gas emissions; and be it further

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RESOLVED, That we urge Congress to adopt legislation prohibiting the EPA, by any means necessary, from regulating greenhouse gas emissions, including if necessary defunding the EPA greenhouse gas regulatory activities; and be it further

RESOLVED, That we also urge Congress to impose a moratorium on the promulgation of any new air quality regulations by the EPA, except to directly address an imminent health or environmental emergency, for a period of at least 2 years; and be it further

RESOLVED, That Congress require the Administration to undertake a comprehensive study identifying all regulatory activity that the EPA intends to undertake in furtherance of its goal of "taking action on climate change and improving air quality" and specifying the cumulative effect of all of these regulations on the economy, jobs, and American economic competitiveness; and be it further

RESOLVED, That suitable copies of this resolution be sent to President Barack Obama, the President pro tempore of the United States Senate, the Speaker of the United States House of Representatives, the Administrator of the Environmental Protection Agency, and each member of the Illinois congressional delegation.

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

SENATE RESOLUTION NO. 435

WHEREAS, On July 2, 1862, President Abraham Lincoln signed into law the Land Grant College Act of 1862, sponsored by Vermont Congressman Justin Morrill; officially titled "An Act Donating Public Lands to the Several States and Territories which may provide Colleges for the Benefit of Agriculture and the Mechanic Arts," the Morrill Act provided each state with 30,000 acres of federal land for each member in their Congressional delegation; the land was then sold by the states and the proceeds used to fund public colleges that focused on agriculture and the mechanical arts; sixty-nine colleges were funded by these land grants, including the University of Illinois; and

WHEREAS, In 1890, the Second Morrill Land Grant Act of 1890 provided for an annual federal appropriation for the states, including for use in agriculture and mechanic arts community extension services, laying the basis for today's University of Illinois Extension Service and subsequent community extension services, including Illinois county fairs and the Illinois State Fair in Springfield; and

WHEREAS, In 1901, Joliet Junior College was established as America's first public community college, as an experimental postgraduate high school program, the "brainchild" of J. Stanley Brown, Superintendent of Joliet Township High School and William Rainey Harper, President of the University of Chicago; and

WHEREAS, In 1917, the federal Smith-Hughes National Vocational Education Act of 1917 and subsequent federal legislation provided for annual federal funding for vocational and home economics programs, for vocational research, including through the Perkins Vocational Education Act of 1984, and for many technology skill programs carried out in high schools and community colleges; and

WHEREAS, In 1936, the Rural Electrification Act provided for the United States Department of Agriculture's (USDA) rural development and the Rural Electrification Administration to take responsibility, through loans and grants to cooperatives and local providers, to bring electricity to rural America, and, in 1949, the Rural Electrification Administration took responsibility to extend telephone services to rural areas, and became linked in 1965 and 1972 with the Appalachian Regional Development and the Rural Development Acts, and became the Rural Utilities Service in 1994; and

WHEREAS, With the many research projects in Illinois which contributed to the development of the public Internet by 1995, the University of Illinois extension and other parties created pioneering online community development tools available in every county by 1998, and, beginning in 2000, worked with the USDA-supported Rural Partners, Illinois Rural Health Association, Illinois Institute for Rural

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Affairs, the office of the Lt. Governor under several administrations, and provider and consumer organizations, to host annual Rural Telecommunication and Health Conferences, initially bringing together rural parties and then adding parties from metropolitan Chicago in strong networks linking Internet infrastructure, services, and policy; and

WHEREAS, In 1999 and 2000, the Illinois General Assembly adopted the Illinois Century Network law, linking schools, libraries, and other public institutions with Internet services, and the Eliminate the Digital Divide Law to provide digital literacy services through community technology centers in low income communities throughout the State; now, the Illinois Century Network serves 9000 schools, libraries, and community anchor institutions, and plays a role as a major "middle mile" fiber provider across the State; from 2002 to 2005, the statewide Illinois Community Technology Consortium project (funded with \$1.3 million in community investment proceeds from Ameritech-SBC merger and matched by \$2.7 million in federal, community foundation, State, and local grants and in-kind contributions), worked with institutions and circuit riders in all regions of Illinois, with assistance from UI Extension in evaluation, professional development, and network-building; and

WHEREAS, From these efforts, in 2004 the University of Illinois Urban and Regional Planning department created a policy report for Illinois Online, which became the basis for the creation of the Illinois Broadband Deployment Council in 2005, and with a newly appointed Broadband Deployment Council, launched in 2010; and

WHEREAS, In 2007, the Illinois General Assembly adopted the High Speed Internet Act which led to the creation of the Illinois public-private partnership for broadband data, infrastructure access, and extension of broadband adoption and use; and

WHEREAS, In 2007, the Federal Communications Commission began its Pilot Rural Health Care Program to link rural hospitals, clinics, and providers through high speed Internet, primarily fiber and fixed wireless, and the Illinois Rural Health Net was awarded \$21 million for 3 years of activity, which began after the Illinois General Assembly, in January 2009, provided matching funds, along with funding electronic health record pilot programs in all regions of Illinois; and

WHEREAS, In 2008, the Rural Utilities Service, through the federal Farm Bill and the 2009 American Recovery and Reinvestment Act, took on major responsibilities to bring high speed Internet, or broadband Internet, infrastructure, and services to rural areas, in cooperation with the United States Department of Commerce's National Telecommunication and Information Administration; and

WHEREAS, In 2009 and 2010, Illinois institutions, companies, municipalities, and nonprofit organizations received about \$250 million in Federal USDA and Department of Commerce infrastructure and services multi-year awards, matched by broadband funds authorized by the Illinois General Assembly capital bill, and coordinated through a series of Regional Broadband Summits in Naperville, Chicago, Carbondale, and Champaign; and

WHEREAS, In 2011, Illinois budget constraints presented challenges to future financial support for some Internet extension programs, including Internet infrastructure and service programs after the completion of federal funding in 2013, and the need to provide for Illinois Eliminate the Digital Divide digital literacy programs; public-private cooperation has been pledged to develop multi-year structures and commitments for sustainability of these programs, including through networks developed and strengthened by the Illinois Department of Commerce and Economic Opportunity, Illinois land grant institutions, State universities, community colleges, and community anchor institution networks in each of the 48 community college areas; and

WHEREAS, In fall 2011, the Federal Communications Commission launched the Universal Service Reform Program to integrate the provision of regular telephone service with Internet service in all states, with the greatest impact on rural areas that have opportunities to benefit from combined world-class telephone and Internet service through public-private cooperation; and

WHEREAS, Investments in Internet infrastructure and services programs have been demonstrated to bring a 10 times return-on-investment in economic activity, and to serve as crucial anchors for Illinois research, development, and job creation in technology firms supported by digital skills programs at all

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levels; and

WHEREAS, The United States Postal Service cites the need for Internet connectivity to increase from today's 65-70% statewide (with many communities with less than 50% connectivity) to 85-95% for the United States to remain competitive in the world, and development organizations cite the need for fiber and advanced fixed wireless facilities providing from 100 megabit to 1 gigabit and higher service in the next 5 years in order to retain and attract job-creating development; and

WHEREAS, On September 10-15, 2012, almost 90,000 participants will convene at Chicago's McCormick Place for the biannual International Manufacturing Technology Show, including 9,000 students and educators at the Student Summit (Chicago's largest trade show), and many public officials and technology students and educators, as well as equipment manufacturers from across the State will be attending; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we celebrate and commemorate, during 2012, the pioneering activities of Illinois institutions, companies, and agencies, particularly Land Grant-based research-teaching-extension universities, State universities, and community colleges to achieve Universal Internet Extension in Illinois; and be it further

RESOLVED, That we work with the University of Illinois, the Illinois Department of Economic Opportunity, and related parties for Illinois and local elected officials to participate in appropriate research and extension celebrations of the Morrill Land Grant Act Sesquicentennial events, including showcasing groundbreaking events for economic development, and events at county fairs and the Illinois State Fair; and be it further

RESOLVED, That we work with Illinois schools, libraries, and community institutions to instill understanding of the importance of Digital Age beginning-to-advanced technology skills at all levels, including spreading regular information about opportunities for students, families, and educators from all regions of Illinois to work, including in local presentations by public officials; and be it further

RESOLVED, That we work to develop Illinois Broadband Awareness Programs with Partnership for a Connected Illinois and Community Anchor Institution networks in each library district, municipality, and county, watershed and community college districts, with regional planning bodies, and with Internet extension and economic development teams to highlight the benefits of broadband Internet skills and connectivity to positively impact the lives of families, businesses, and communities in meeting the 7 National Needs for Broadband (Health, Economic Opportunity, Education, Energy & Environment, Government Performance, Civic Engagement, and Public Safety) developed in the Federal Communications Commission's National Broadband Plan of 2010; and be it further

RESOLVED, That we request the appropriate Illinois Senate and House committees to work with their respective higher education, education, telecommunications, economic development, and healthcare committees, and with the Governor and all Constitutional officers, to plan for such Morrill Act Sesquicentennial commemoration and celebration events in Illinois and elsewhere.

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

SENATE RESOLUTION NO. 437

WHEREAS, The links between coal production, economic growth, prosperity, and energy security are unbreakable; and

WHEREAS, Coal is the main source of energy throughout the world, provides half of the electricity used in the United States, and is a considerable amount of the electricity generated in the midwest and Illinois; and

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WHEREAS, The Illinois Coal Association reports that of all the states, Illinois has the largest reported bituminous coal resources with almost 25% of our nation's reserves; coal bearing rocks underlie about 65% of Illinois (36,806 out of a total of 56,500 square miles), including all or parts of at least 86 of the 102 counties in the State; and

WHEREAS, According to the Illinois State Geological Survey (ISGS) there are 100 billion tons of recoverable coal beneath the surface of Illinois, enough coal to meet the country's need for coal for the next 100 years; there is more energy content in the coal in Illinois than in the oil in Saudi Arabia and Kuwait combined; and

WHEREAS, The industry that mines coal is a highly mechanized one; at the start of 2008, there were 17 mines operating in central and southern Illinois; the bulk of these mines are operated by leading companies in American coal mining; Illinois coal mines produced 32.4 million tons of coal in 2007; and

WHEREAS, Coal mine lands are being restored, as part of the reclamation process, to meet ongoing, economic, recreational, educational, transportation, and housing needs of local communities and the State; and

WHEREAS, The backlog of permit approvals and the lack of transparency in the federal permitting process are jeopardizing jobs, economic opportunity, and coal production throughout Illinois and the region; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the Illinois General Assembly call upon the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the President's Council on Environmental Quality, and the Illinois congressional delegation and other State government officials to support coal production and the jobs, economic growth, and energy security provided by coal mining by fixing a regulatory system that is frustrating these vital objectives; and be it further

RESOLVED, That a suitable copy of this resolution be sent to the head of the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the President's Council on Environmental Quality, and the members of the Illinois congressional delegation.

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

SENATE RESOLUTION NO. 438

WHEREAS, Azerbaijan is one of the prominent nations in the Muslim world that promotes and maintains a pro-American stance in foreign relations; and

WHEREAS, The Azerbaijani government and its people have shunned extremism and state-sponsored religion in favor of a secular state with equal rights for all citizens, regardless of race, ethnicity, gender, or religious affiliation; and

WHEREAS, Azerbaijan is a major supplier of energy resources to some of the United States' most vulnerable allies, particularly in Eastern Europe; and

WHEREAS, More than 100 U.S. businesses have an established presence in Azerbaijan, including prominent, successful corporations such as ExxonMobil, Ernst and Young, and Coca-Cola; and

WHEREAS, Azerbaijan has been a loyal supporter of the United States' "War on Terror", providing troops and logistical support for NATO operations in Afghanistan; and

WHEREAS, The appointment of Azerbaijan to a seat on the United Nations Security Council for the next 2 years places them alongside the United States as a leader in the international community; having a country like Azerbaijan, which shares American values, and with whom the United States maintains

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close and productive ties, on the United Nations Security Council significantly strengthens American and Azerbaijani interests throughout the world and further fosters greater trust and cooperation amongst American and Azerbaijani citizens; and

WHEREAS, The State of Illinois currently has limited relations with the nation of Azerbaijan; the expansion of existing relations and the creation of new relationships with the Azerbaijani government and its people are of great importance to both the people of Azerbaijan and the citizens of this State; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the President of the United States and the United States Congress to continue to strengthen ties with the nation of Azerbaijan; and be it further

RESOLVED, That we affirm our belief that stronger relations should be created between Azerbaijan and the State of Illinois and urge the public officials and citizens of this State to take appropriate steps to foster warm relations with the nation of Azerbaijan; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the President of the United States, the Speaker and Minority Leader of the United States House of Representatives, the Majority and Minority Leaders of the United States Senate, and the Ambassador from the Republic of Azerbaijan to the United States of America.

INTRODUCTION OF BILLS

SENATE BILL NO. 2524. Introduced by Senator Holmes, a bill for AN ACT concerning transportation.

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

SENATE BILL NO. 2525. Introduced by Senator Sandoval, a bill for AN ACT concerning local government.

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

SENATE BILL NO. 2526. Introduced by Senator Sandoval, a bill for AN ACT concerning regulation.

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

SENATE BILL NO. 2527. Introduced by Senator Sandoval, a bill for AN ACT concerning local government.

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

SENATE BILL NO. 2528. Introduced by Senator Forby, a bill for AN ACT concerning transportation.

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

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 40

A bill for AN ACT concerning State government.

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

House Amendment No. 1 to SENATE BILL NO. 40

House Amendment No. 2 to SENATE BILL NO. 40

House Amendment No. 3 to SENATE BILL NO. 40

House Amendment No. 4 to SENATE BILL NO. 40

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 40

AMENDMENT NO. 1. Amend Senate Bill 40 on page 8, by replacing lines 17 through 20 with the following:

"equity. Projects may deviate from the costs, fees, and expenses provided in their project cost information for the project's cost components, provided that the final total project cost does not exceed the approved permit amount. Project alterations shall not increase the total approved permit amount by more than the limit set forth under the Board's rules."

AMENDMENT NO. 2 TO SENATE BILL 40

AMENDMENT NO. 2. Amend Senate Bill 40 as follows:

on page 1, line 5, after "Sections", by inserting "3,"; and

on page 1, immediately below line 6, by inserting the following:

"(20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

(Section scheduled to be repealed on December 31, 2019)

Sec. 3. Definitions. As used in this Act:

"Health care facilities" means and includes the following facilities and organizations:

1. An ambulatory surgical treatment center required to be licensed pursuant to the Ambulatory Surgical Treatment Center Act;
2. An institution, place, building, or agency required to be licensed pursuant to the Hospital Licensing Act;
3. Skilled and intermediate long term care facilities licensed under the Nursing Home Care Act;
- 3.5. Skilled and intermediate care facilities licensed under the MR/DD Community Care Act;
4. Hospitals, nursing homes, ambulatory surgical treatment centers, or kidney disease treatment centers maintained by the State or any department or agency thereof;
5. Kidney disease treatment centers, including a free-standing hemodialysis unit required to be licensed under the End Stage Renal Disease Facility Act;
6. An institution, place, building, or room used for the performance of outpatient surgical procedures that is leased, owned, or operated by or on behalf of an out-of-state facility;
7. An institution, place, building, or room used for provision of a health care category of service as defined by the Board, including, but not limited to, cardiac catheterization and open heart surgery; and
8. An institution, place, building, or room used for provision of major medical equipment used in the direct clinical diagnosis or treatment of patients, and whose project cost is in excess of the capital expenditure minimum.

This Act shall not apply to the construction of any new facility or the renovation of any existing facility located on any campus facility as defined in Section 5-5.8b of the Illinois Public Aid Code, provided that the campus facility encompasses 30 or more contiguous acres and that the new or renovated facility is intended for use by a licensed residential facility.

No federally owned facility shall be subject to the provisions of this Act, nor facilities used solely for healing by prayer or spiritual means.

No facility licensed under the Supportive Residences Licensing Act or the Assisted Living and Shared Housing Act shall be subject to the provisions of this Act.

No facility established and operating under the Alternative Health Care Delivery Act as a children's respite care center alternative health care model demonstration program or as an Alzheimer's Disease

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Management Center alternative health care model demonstration program shall be subject to the provisions of this Act.

A facility designated as a supportive living facility that is in good standing with the program established under Section 5-5.01a of the Illinois Public Aid Code shall not be subject to the provisions of this Act.

This Act does not apply to facilities granted waivers under Section 3-102.2 of the Nursing Home Care Act. However, if a demonstration project under that Act applies for a certificate of need to convert to a nursing facility, it shall meet the licensure and certificate of need requirements in effect as of the date of application.

This Act does not apply to a dialysis facility that provides only dialysis training, support, and related services to individuals with end stage renal disease who have elected to receive home dialysis. This Act does not apply to a dialysis unit located in a licensed nursing home that offers or provides dialysis-related services to residents with end stage renal disease who have elected to receive home dialysis within the nursing home. The Board, however, may require these dialysis facilities and licensed nursing homes to report statistical information on a quarterly basis to the Board to be used by the Board to conduct analyses on the need for proposed kidney disease treatment centers.

This Act shall not apply to the closure of an entity or a portion of an entity licensed under the Nursing Home Care Act or the MR/DD Community Care Act, with the exceptions of facilities operated by a county or Illinois Veterans Homes, that elects to convert, in whole or in part, to an assisted living or shared housing establishment licensed under the Assisted Living and Shared Housing Act.

This Act does not apply to any change of ownership of a healthcare facility that is licensed under the Nursing Home Care Act or the MR/DD Community Care Act, with the exceptions of facilities operated by a county or Illinois Veterans Homes. Changes of ownership of facilities licensed under the Nursing Home Care Act must meet the requirements set forth in Sections 3-101 through 3-119 of the Nursing Home Care Act.

This Act does not apply to public hospitals and health clinics operated by a county with a population of 3,000,000 or more inhabitants or by a governing authority established by the board of commissioners of a county with a population of 3,000,000 or more inhabitants. The State Board, however, may require these public hospitals and health clinics to report statistical and other information to the Board to be used by the Board to conduct statewide inventories of health care facilities under Section 12 of this Act.

With the exception of those health care facilities specifically included in this Section, nothing in this Act shall be intended to include facilities operated as a part of the practice of a physician or other licensed health care professional, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional group. Further, this Act shall not apply to physicians or other licensed health care professional's practices where such practices are carried out in a portion of a health care facility under contract with such health care facility by a physician or by other licensed health care professionals, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional groups. This Act shall apply to construction or modification and to establishment by such health care facility of such contracted portion which is subject to facility licensing requirements, irrespective of the party responsible for such action or attendant financial obligation.

"Person" means any one or more natural persons, legal entities, governmental bodies other than federal, or any combination thereof.

"Consumer" means any person other than a person (a) whose major occupation currently involves or whose official capacity within the last 12 months has involved the providing, administering or financing of any type of health care facility, (b) who is engaged in health research or the teaching of health, (c) who has a material financial interest in any activity which involves the providing, administering or financing of any type of health care facility, or (d) who is or ever has been a member of the immediate family of the person defined by (a), (b), or (c).

"State Board" or "Board" means the Health Facilities and Services Review Board.

"Construction or modification" means the establishment, erection, building, alteration, reconstruction, modernization, improvement, extension, discontinuation, change of ownership, of or by a health care facility, or the purchase or acquisition by or through a health care facility of equipment or service for diagnostic or therapeutic purposes or for facility administration or operation, or any capital expenditure made by or on behalf of a health care facility which exceeds the capital expenditure minimum; however, any capital expenditure made by or on behalf of a health care facility for (i) the construction or modification of a facility licensed under the Assisted Living and Shared Housing Act or (ii) a conversion project undertaken in accordance with Section 30 of the Older Adult Services Act shall be excluded from

any obligations under this Act.

"Establish" means the construction of a health care facility or the replacement of an existing facility on another site or the initiation of a category of service as defined by the Board.

"Major medical equipment" means medical equipment which is used for the provision of medical and other health services and which costs in excess of the capital expenditure minimum, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under Title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and (11) of Section 1861(s) of such Act. In determining whether medical equipment has a value in excess of the capital expenditure minimum, the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

"Capital Expenditure" means an expenditure: (A) made by or on behalf of a health care facility (as such a facility is defined in this Act); and (B) which under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance, or is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part; and which exceeds the capital expenditure minimum.

For the purpose of this paragraph, the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if such expenditure exceeds the capital expenditures minimum. Unless otherwise interdependent, or submitted as one project by the applicant, components of construction or modification undertaken by means of a single construction contract or financed through the issuance of a single debt instrument shall not be grouped together as one project. Donations of equipment or facilities to a health care facility which if acquired directly by such facility would be subject to review under this Act shall be considered capital expenditures, and a transfer of equipment or facilities for less than fair market value shall be considered a capital expenditure for purposes of this Act if a transfer of the equipment or facilities at fair market value would be subject to review.

"Capital expenditure minimum" means \$11,500,000 for projects by hospital applicants, \$6,500,000 for applicants for projects related to skilled and intermediate care long-term care facilities licensed under the Nursing Home Care Act, and \$3,000,000 for projects by all other applicants, which shall be annually adjusted to reflect the increase in construction costs due to inflation, for major medical equipment and for all other capital expenditures.

"Non-clinical service area" means an area (i) for the benefit of the patients, visitors, staff, or employees of a health care facility and (ii) not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; news stands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers.

"Areawide" means a major area of the State delineated on a geographic, demographic, and functional basis for health planning and for health service and having within it one or more local areas for health planning and health service. The term "region", as contrasted with the term "subregion", and the word "area" may be used synonymously with the term "areawide".

"Local" means a subarea of a delineated major area that on a geographic, demographic, and functional basis may be considered to be part of such major area. The term "subregion" may be used synonymously with the term "local".

"Physician" means a person licensed to practice in accordance with the Medical Practice Act of 1987, as amended.

"Licensed health care professional" means a person licensed to practice a health profession under pertinent licensing statutes of the State of Illinois.

"Director" means the Director of the Illinois Department of Public Health.

"Agency" means the Illinois Department of Public Health.

"Alternative health care model" means a facility or program authorized under the Alternative Health Care Delivery Act.

"Out-of-state facility" means a person that is both (i) licensed as a hospital or as an ambulatory surgery center under the laws of another state or that qualifies as a hospital or an ambulatory surgery center under regulations adopted pursuant to the Social Security Act and (ii) not licensed under the Ambulatory Surgical Treatment Center Act, the Hospital Licensing Act, or the Nursing Home Care Act. Affiliates of out-of-state facilities shall be considered out-of-state facilities. Affiliates of Illinois licensed health care facilities 100% owned by an Illinois licensed health care facility, its parent, or Illinois physicians licensed to practice medicine in all its branches shall not be considered out-of-state facilities. Nothing in this definition shall be construed to include an office or any part of an office of a physician licensed to practice medicine in all its branches in Illinois that is not required to be licensed under the Ambulatory Surgical Treatment Center Act.

"Change of ownership of a health care facility" means a change in the person who has ownership or control of a health care facility's physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship, or other means of transferring control.

"Related person" means any person that: (i) is at least 50% owned, directly or indirectly, by either the health care facility or a person owning, directly or indirectly, at least 50% of the health care facility; or (ii) owns, directly or indirectly, at least 50% of the health care facility.

"Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer.

"Freestanding emergency center" means a facility subject to licensure under Section 32.5 of the Emergency Medical Services (EMS) Systems Act.

(Source: P.A. 95-331, eff. 8-21-07; 95-543, eff. 8-28-07; 95-584, eff. 8-31-07; 95-727, eff. 6-30-08; 95-876, eff. 8-21-08; 96-31, eff. 6-30-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10.)"

AMENDMENT NO. 3 TO SENATE BILL 40

AMENDMENT NO. 3. Amend Senate Bill 40 on page 25, immediately below line 4, by inserting the following:

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

AMENDMENT NO. 4 TO SENATE BILL 40

AMENDMENT NO. 4. Amend Senate Bill 40, AS AMENDED, by replacing everything after the enacting clause with the following:

"Article 1.

Section 1-5. The Military Code of Illinois is amended by changing Section 56-1 and by adding Section 56-2 as follows:

(20 ILCS 1805/56-1) (from Ch. 129, par. 220.56-1)

Sec. 56-1. Federal Support Agreement Revolving Fund; payment; use. The Federal Support Agreement Revolving Fund shall be initially financed by an appropriation from the General Revenue Fund to the Federal Support Agreement Revolving Fund. Thereafter, all monies received from the federal government that are necessary for the reimbursement of salaries paid to employees hired in reimbursed positions, for facility operations or other programs as provided under the terms of the Federal Support Agreement between the Department of Military Affairs and the United States Property and Fiscal Officer for Illinois shall be paid into the Federal Support Agreement Revolving Fund. The money in this fund shall be used by the Department of Military Affairs only for those expenses necessary to meet all of the terms and obligations of the Federal Support Agreement, except as otherwise provided in this Section. At the request of the Adjutant General, the State Treasurer and the State Comptroller shall transfer to the Illinois National Guard State Active Duty Fund from the Federal Support Agreement Revolving Fund the reimbursement from the federal government for State Fiscal Year 2011 expenditures from the General Revenue Fund in excess of \$2,200,000 for expenses related to the Lincoln's Challenge Program. All moneys expended by the Department of Military Affairs from the Federal Support Agreement Revolving Fund ~~this Fund~~ shall be appropriated by the General Assembly. Furthermore, any moneys that are appropriated to pay for weekly allowances for students in the Lincoln's Challenge Program may be deposited by the Department of Military Affairs into a savings and loan association or State or national bank in this State. Such funds shall be managed by the Department of Military Affairs in the manner provided by the laws of this State, applicable rules and regulations based thereon, and applicable federal requirements governing the use of such funds.

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(Source: P.A. 90-72, eff. 7-8-97.)

(20 ILCS 1805/56-2 new)

Sec. 56-2. Illinois National Guard State Active Duty Fund; payment; use. The Illinois National Guard State Active Duty Fund is created and shall be initially financed by a transfer from the Federal Support Agreement Revolving Fund to the Illinois National Guard State Active Duty Fund as provided in Section 56-1 of this Code. Thereafter, all monies received from any government entity that reimburse costs incurred in the performance of State Active Duty shall be paid into the Illinois National Guard State Active Duty Fund. Disbursement from the Fund for purposes as set forth in this Section shall be by voucher ordered by the Adjutant General and paid by a warrant drawn by the State Comptroller and countersigned by the State Treasurer. The Director shall order disbursements from the Illinois National Guard State Active Duty Fund only for payment of expenses necessary to support the Illinois National Guard in the performance of State Active Duty. Monies in this Fund shall not be subject to appropriation by the General Assembly, but shall be subject to audit by the Auditor General.

Article 5. Conveyance to the City of Salem.

Section 5-5. The Adjutant General, on behalf of the State of Illinois and the Department of Military Affairs, is authorized to convey by Quitclaim Deed all right, title, and interest of the State of Illinois and the Department of Military Affairs in and to the real estate described in Section 5-10 to the City of Salem, subject to the conditions and restrictions described in Section 5-15.

Section 5-10. The Adjutant General is authorized to convey the following described real property:

Parcel 1: Lots 6, 7 and 8 in Hull's Subdivision Number 1 of Lots 3 and 4 of Surveyor's Addition Number 4 to the City of Salem, being a part of the Southeast Quarter of the Northwest Quarter of Section 11, Township 2 North, Range 2 East of the Third Principal Meridian, in Marion County, Illinois.

Parcel 2: All that part of Lot 4 in Surveyor's Addition Number 4 to the City of Salem, described as follows: Commencing at the Northwest corner of Lot 8 in Hull's Subdivision Number 1, to the City of Salem, Illinois; thence West 125 feet; thence South 158.7 feet; thence East 125 feet, thence North 158.7 feet to the place of beginning, in Marion County, Illinois, all more particularly described as follows: Beginning at an iron pin set at the Northeast corner of said Lot 8 of Hull's Subdivision Number 1; thence along the extended North line of said Lot 8, on an assumed bearing of South 89 degrees 13 minutes 47 seconds West a distance of 248.84 feet (Deed call 250 feet), to an iron pin set; thence South 0 degree 23 minutes 30 seconds West, a distance of 158.97 feet (Deed call 158.7 feet), to an iron pin found; thence North 89 degrees 10 minutes 21 seconds East, a distance of 249.93 feet (Deed call 250 feet) to an iron pin set, said point being the Southeast corner of aforesaid Lot 6 of Hull's Subdivision Number 1; thence along the East line of Lots 6, 7 and 8 of Hull's Subdivision Number 1, North 0 degree 00 minutes 00 seconds, a distance of 158.70 feet, to the point of beginning. All of the above situated in Marion County, Illinois.

Parcel 3: Lots 175, 176, 177, and 178 in Irwin-Hull replat of a part of Lots 3 and 4, Surveyor's Addition No. 4 to the City of Salem, Marion County, Illinois.

Parcel 4: Lot 4 of Hull's Subdivision No. 1 of Lot 3 and 4 of Surveyor's Addition No. 4 to the City of Salem, Marion County, Illinois.

Parcel 5: Lot 35 in the Irwin-Hull Replat of a part of Lots 3 and 4 of Surveyor's Addition No. 4 to the City of Salem and being a part of the East Half of the Northwest Quarter, Section 11, Township Two North, Range Two East of the Third P.M., Marion County, Illinois.

Parcel 6: Lots 9 and 10 in Hull's Subdivision No. 1 to the City of Salem, Marion County, Illinois.

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Parcel 7: Lot 4 in Surveyor's Addition No. 1 to the City of Salem, Marion County, Illinois, more particularly described as follows: Beginning at a point 21.45 feet N. of the N.E. corner of Block 1 in Rogers Addition to said City of Salem, and running thence N. 150 feet, thence W. 50 feet, thence S. 150 feet, and thence E. 50 feet to the place of beginning.

Parcel 8: Lot 5 in Hull's Subdivision No. 1 of Lots 3 and 4 of Surveyor's Addition No. 4 to the City of Salem, Marion County, Illinois.

Section 5-15. The Adjutant General shall not convey the real property described in Section 5-10 to the City of Salem until the Adjutant General determines that the property is no longer required for military purposes. In this regard, construction of the new Readiness Center in Salem must be completed, and all military units with associated equipment must have been transferred from the armory property described in Section 5-10 to the new Readiness Center in Salem. Conveyance of the above real property will be in an "as is" condition, subject to an Historic Preservation Covenant on the armory buildings as approved by the Illinois Historic Preservation Agency, and the City of Salem will pay all required costs and expenses of the conveyance, as determined by the Adjutant General.

Section 5-20. The Adjutant General shall obtain a certified copy of this Act from the Secretary of State within 60 days after its effective date and, upon conveyance of the real estate described in Section 5-10 being made, shall cause the certified copy of this Act to be recorded in the office of the recorder of Marion County, Illinois.

Article 10. Conveyance to the City of Mt. Vernon.

Section 10-5. The Adjutant General, on behalf of the State of Illinois and the Department of Military Affairs, is authorized to convey by Quitclaim Deed all right, title, and interest of the State of Illinois and the Department of Military Affairs in and to the real estate described in Section 10-10 to the City of Mt. Vernon, subject to the conditions and restrictions described in Section 10-15.

Section 10-10. The Adjutant General is authorized to convey the following described real property:

Parcel 1: The North 63.5 feet of Lots 4, 5, 6 and 7 in W. D. Green's Subdivision of Block 12 of Green's First Addition to the City of Mt. Vernon, Illinois, according to the recorded plat thereof in Deed Record 41, page 565, in the Recorder's Office of Jefferson County, Illinois. A part of Lot 1 of W. D. Green's Subdivision of Block 12 in Greene's First Addition to the Town (now City) of Mt. Vernon, Illinois, more particularly described as follows: Beginning at an iron pin set on the South line of said Lot 1, 65.00 feet East (assm.) of the Southwest corner thereof, continuing thence East (assm.) a distance of 353.80 feet to an iron pin set on the West Right of Way line of existing South 7th St., thence North 05 degrees 15 minutes 26 seconds East along said West Right of Way line of 7th St. a distance of 162.05 feet to an iron pin set on the South Right of Way line of existing East Broadway St., thence North 89 degrees 59 minutes 02 seconds West along said South Right of Way line of Broadway a distance of 354.47 feet to an iron pin set South 89 degrees 59 minutes 02 seconds East a distance of 65.00 feet from the Northwest corner of said Lot 1, thence South 05 degrees 01 minutes 07 seconds West parallel to the West line of said Lot 1 a distance of 162.09 feet to the Point of beginning. The above described tract is also known as: A tract of land described as beginning at a point 65 feet East of the Southwest corner of Lot 1 in W. D. Greene's Subdivision of Block 12 in Greene's First Addition to the Town (now City) of Mt. Vernon, Illinois; running thence in a Northerly direction parallel with the West line of said Lot to the South line of Broadway Street; thence in an Easterly direction on the South line of said street, 353 feet to the East line of said Lot; thence in a Southerly direction along the East line of said Lot to the Southeast corner thereof and thence in a Westerly direction 353 feet on the South line of said Lot to the Place of beginning, being part of the East Half of the Southwest Quarter of Section 29, Township 2 South, Range 3 East of the Third Principal Meridian, situated in Jefferson County, Illinois.

Parcel 2: The South Half of all that portion of the vacated 160 foot alley, vacated by the City of Mt. Vernon, Illinois, by Ordinance 2000-44 on July 17, 2000 and recorded on July 31, 2000 as Document No. 200005179, and adjoining the above described lots on the North and more particularly described as follows, to-wit: Beginning at the Northwest corner of Lot 7 herein, thence North 8 feet, thence Easterly along the centerline of said vacated alley to a point lying due North of the Northeast corner of Lot 4 herein, thence South to the said Northeast corner of Lot 4, thence Westerly along the North lines of Lots 4, 5, 6 and 7, herein, to the point of beginning.

Section 10-15. The Adjutant General shall not convey the real property described in Section 10-10 to the City of Mt. Vernon until the Adjutant General determines that the property is no longer required for military purposes. In this regard, construction of the new Readiness Center in Mt. Vernon must be completed, and all military units with associated equipment must have been transferred from the armory property described in Section 10-10 to the new Readiness Center in Mt. Vernon. Conveyance of the above real property will be in an "as is" condition, subject to an Historic Preservation Covenant on the armory buildings as approved by the Illinois Historic Preservation Agency, and the City of Mt. Vernon will pay all required costs and expenses of the conveyance, as determined by the Adjutant General.

Section 10-20. The Adjutant General shall obtain a certified copy of this Act from the Secretary of State within 60 days after its effective date and, upon conveyance of the real estate described in Section 10-10 being made, shall cause the certified copy of this Act to be recorded in the office of the recorder of Jefferson County, Illinois.

Article 15.

(330 ILCS 126/85 rep.)

Section 15-15. The Veterans' Health Insurance Program Act of 2008 is amended by repealing Section 85.

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

Under the rules, the foregoing **Senate Bill No. 40**, with House Amendments numbered 1, 2, 3 and 4, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 92

A bill for AN ACT concerning local government.

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

House Amendment No. 2 to SENATE BILL NO. 92

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 92

AMENDMENT NO. 2. Amend Senate Bill 92 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Sections 18-185 and 18-215 as follows:
(35 ILCS 200/18-185)

Sec. 18-185. Short title; definitions. This Division 5 may be cited as the Property Tax Extension Limitation Law. As used in this Division 5:

"Consumer Price Index" means the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

"Extension limitation" means (a) the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters under Section 18-205.

"Affected county" means a county of 3,000,000 or more inhabitants or a county contiguous to a

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county of 3,000,000 or more inhabitants.

"Taxing district" has the same meaning provided in Section 1-150, except as otherwise provided in this Section. For the 1991 through 1994 levy years only, "taxing district" includes only each non-home rule taxing district having the majority of its 1990 equalized assessed value within any county or counties contiguous to a county with 3,000,000 or more inhabitants. Beginning with the 1995 levy year, "taxing district" includes only each non-home rule taxing district subject to this Law before the 1995 levy year and each non-home rule taxing district not subject to this Law before the 1995 levy year having the majority of its 1994 equalized assessed value in an affected county or counties. Beginning with the levy year in which this Law becomes applicable to a taxing district as provided in Section 18-213, "taxing district" also includes those taxing districts made subject to this Law as provided in Section 18-213.

"Aggregate extension" for taxing districts to which this Law applied before the 1995 levy year means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before October 1, 1991; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before October 1, 1991; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after October 1, 1991 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before October 1, 1991 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before October 1, 1991, to pay for the building project; (g) made for payments due under installment contracts entered into before October 1, 1991; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), (e), and (h) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made by a school district that participates in the Special Education District of Lake County, created by special education joint agreement under Section 10-22.31 of the School Code, for payment of the school district's share of the amounts required to be contributed by the Special Education District of Lake County to the Illinois Municipal Retirement Fund under Article 7 of the Illinois Pension Code; the amount of any extension under this item (k) shall be certified by the school district to the county clerk; (l) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (m) made for temporary relocation loan repayment purposes pursuant to Sections 2-3.77 and 17-2.2d of the School Code; (n) made for payment of principal and interest on any bonds issued under the authority of Section 17-2.2d of the School Code; and (o) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code ; ~~and (p) made for road purposes in the first year after a township assumes the rights, powers, duties, assets, property, liabilities, obligations, and responsibilities of a road district abolished under the provisions of Section 6-133 of the Illinois Highway Code.~~

"Aggregate extension" for the taxing districts to which this Law did not apply before the 1995 levy year (except taxing districts subject to this Law in accordance with Section 18-213) means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 1, 1995; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 1, 1995; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 1, 1995 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 1, 1995 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be

made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 1, 1995 to pay for the building project; (g) made for payments due under installment contracts entered into before March 1, 1995; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (h-4) made for stormwater management purposes by the Metropolitan Water Reclamation District of Greater Chicago under Section 12 of the Metropolitan Water Reclamation District Act; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum and bonds described in subsection (h) of this definition; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made for payments of principal and interest on bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium or museum projects; (l) made for payments of principal and interest on bonds authorized by Public Act 87-1191 or 93-601 and (i) issued pursuant to Section 21.2 of the Cook County Forest Preserve District Act, (ii) issued under Section 42 of the Cook County Forest Preserve District Act for zoological park projects, or (iii) issued under Section 44.1 of the Cook County Forest Preserve District Act for botanical gardens projects; (m) made pursuant to Section 34-53.5 of the School Code, whether levied annually or not; (n) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (o) made by the Chicago Park District for recreational programs for the handicapped under subsection (c) of Section 7.06 of the Chicago Park District Act; (p) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (q) made by Ford Heights School District 169 under Section 17-9.02 of the School Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with Section 18-213, except for those taxing districts subject to paragraph (2) of subsection (e) of Section 18-213, means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the date on which the referendum making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois

Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (m) made for the taxing district to pay interest or principal on general obligation bonds issued pursuant to Section 19-3.10 of the School Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the effective date of this amendatory Act of 1997; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the effective date of this amendatory Act of 1997; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the effective date of this amendatory Act of 1997 if the bonds were approved by referendum after the effective date of this amendatory Act of 1997; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the effective date of this amendatory Act of 1997 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the effective date of this amendatory Act of 1997 to pay for the building project; (g) made for payments due under installment contracts entered into before the effective date of this amendatory Act of 1997; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; and (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including excluded non-referendum bonds. For park districts (i) that were first subject to this Law in 1991 or 1995 and (ii) whose extension for the 1994 levy year for the payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds) was less than 51% of the amount for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds), "debt service extension base" means an amount equal to that portion of the extension for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds). A debt service extension base established or increased at any time pursuant to any provision of this Law, except Section 18-212, shall be increased each year commencing with the later of (i) the 2009 levy year or (ii) the first levy year in which this Law becomes applicable to the taxing district, by the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year. The debt service extension base may be established or increased as provided under Section 18-212. "Excluded non-referendum bonds" means (i) bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.

"Special purpose extensions" include, but are not limited to, extensions for levies made on an annual

basis for unemployment and workers' compensation, self-insurance, contributions to pension plans, and extensions made pursuant to Section 6-601 of the Illinois Highway Code for a road district's permanent road fund whether levied annually or not. The extension for a special service area is not included in the aggregate extension.

"Aggregate extension base" means the taxing district's last preceding aggregate extension as adjusted under Sections 18-135, 18-215, and 18-230. An adjustment under Section 18-135 shall be made for the 2007 levy year and all subsequent levy years whenever one or more counties within which a taxing district is located (i) used estimated valuations or rates when extending taxes in the taxing district for the last preceding levy year that resulted in the over or under extension of taxes, or (ii) increased or decreased the tax extension for the last preceding levy year as required by Section 18-135(c). Whenever an adjustment is required under Section 18-135, the aggregate extension base of the taxing district shall be equal to the amount that the aggregate extension of the taxing district would have been for the last preceding levy year if either or both (i) actual, rather than estimated, valuations or rates had been used to calculate the extension of taxes for the last levy year, or (ii) the tax extension for the last preceding levy year had not been adjusted as required by subsection (c) of Section 18-135.

"Levy year" has the same meaning as "year" under Section 1-155.

"New property" means (i) the assessed value, after final board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30, (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30, including the assessed value, upon final stabilization of occupancy after new construction is complete, of any real property located within the boundaries of an otherwise or previously exempt military reservation that is intended for residential use and owned by or leased to a private corporation or other entity, and (iii) in counties that classify in accordance with Section 4 of Article IX of the Illinois Constitution, an incentive property's additional assessed value resulting from a scheduled increase in the level of assessment as applied to the first year final board of review market value. In addition, the county clerk in a county containing a population of 3,000,000 or more shall include in the 1997 recovered tax increment value for any school district, any recovered tax increment value that was applicable to the 1995 tax year calculations.

"Qualified airport authority" means an airport authority organized under the Airport Authorities Act and located in a county bordering on the State of Wisconsin and having a population in excess of 200,000 and not greater than 500,000.

"Recovered tax increment value" means, except as otherwise provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, previously established under the Economic Development Project Area Tax Increment Act of 1995, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a redevelopment project area established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over and above the initial equalized assessed value of that real property before removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property or the recovered tax increment value. If a new rate, a rate decrease, or a limiting rate increase has been approved at an election held after March 21, 2006, then (i) the otherwise applicable limiting rate shall be increased by the amount of the new rate or shall be reduced by the amount of the rate decrease, as the case may be, or (ii) in the case of a limiting rate increase, the limiting rate shall be equal to the rate set forth in the proposition approved by the voters for each of the years specified in the proposition, after which the limiting rate of the taxing district shall be calculated as otherwise provided.

(Source: P.A. 96-501, eff. 8-14-09; 96-517, eff. 8-14-09; 96-1000, eff. 7-2-10; 96-1202, eff. 7-22-10; 97-611, eff. 1-1-12.)

(35 ILCS 200/18-215)

Sec. 18-215. Merging and consolidating taxing districts; transfer of service. For purposes of this Law, when 2 or more taxing districts merge or consolidate, including, but not limited to, a township assuming the rights, powers, duties, assets, property liabilities, obligations, and responsibilities of a road district abolished under the provisions of Section 6-133 of the Illinois Highway Code, the sum of the last preceding aggregate extensions for each taxing district shall be combined for the resulting merged or consolidated taxing district and the provisions of Section 18-190 of this Law requiring a referendum to establish a new levy shall not apply. When a service performed by one taxing district is transferred to another taxing district, that part of the aggregate extension base for that purpose shall be transferred and added to the aggregate extension base of the transferee taxing district for purposes of this Law and shall be deducted from the aggregate extension base of the transferor taxing district. If the service and corresponding portion of the aggregate extension base transferred to the taxing district are for a service that the transferee district does not currently levy for, the provisions of Section 18-190 of this Law requiring a referendum to establish a new levy shall not apply.

(Source: P.A. 90-719, eff. 8-7-98.)

Section 10. The Illinois Highway Code is amended by changing Section 6-501 as follows:
(605 ILCS 5/6-501) (from Ch. 121, par. 6-501)

Sec. 6-501. (a) Findings and purpose. The General Assembly finds:

(1) That the financial conditions of the Township and District road systems of the State of Illinois have suffered adversely as a result of changes in law concerning assessed valuation of property for tax purposes. That as a result of the changes beginning in 1945, the rates of permissible levy were first halved to accommodate full fair value, but never restored when subsequent law change established the legal assessed valuation at 50% of fair market value as equalized by the Department of Revenue.

(2) Townships and district road systems, as a result of the decreased financial support, have suffered a decline in ability to maintain or improve roads and bridges in a safe condition to permit the normal and ordinary use of its highway system. In many instances bridges have been closed and detours required because of impossible road conditions resulting in hardships for school districts in transporting pupils and for farms in moving products to market.

(3) Further, cost for maintenance and improvements have risen faster than the valuations of property, the base of financial support.

(4) To solve these problems, this Act makes changes in rates of taxation -- returning

Townships and District road systems to their approximate financial viability prior to 1945.

(b) The highway commissioner for each road district in each county not under township organization shall on or before the third Tuesday in December of each year determine and certify to the county board the amount necessary to be raised by taxation for road purposes and for the salaries of elected road district officials in the road district.

Should any highway commissioner during the last year of his term of office for any reason not file the certificate in the office of the county clerk, as required by this Section, in time for presentation to the regular September meeting of the county board, the clerk shall present in lieu thereof a certificate equal in amount to that presented for the preceding year.

In every such county the certificate shall be filed in the office of the county clerk and by that official presented to the county board at the regular September meeting for the consideration of the board. The

[November 9, 2011]

amount so certified if approved by the county board, or the part thereof as the county board does approve, shall be extended by the county clerk as road taxes against the taxable property of the district.

(c) The highway commissioner in each road district in each county having adopted township organization shall in accordance with the Illinois Municipal Budget Law at least 30 days prior to the public meeting required by this paragraph, each year prepare or cause to be prepared a tentative budget and appropriation ordinance and file the same with the clerk of the township or consolidated township road district, as the case may be, who shall make the tentative budget and appropriation ordinance conveniently available to the public inspection for at least 30 days prior to final action. One public hearing shall be held. This public hearing shall be held on or before the last day of the first quarter of the fiscal year before the township board of trustees or the highway board of trustees, as the case may be. Notice of the hearing shall be given by publication in a newspaper published in the road district at least 30 days prior to the time of the hearing. If there is no newspaper published in the road district, notice of the public hearing shall be given by posting notices in 5 of the most public places in the district. It shall be the duty of the clerk of the road district to arrange for the public hearing. The township board of trustees or highway board of trustees, as the case may be, at the public hearing shall adopt the tentative budget and appropriation ordinance, or any part as the board of trustees deem necessary.

On or before the last Tuesday in December the township board of trustees or highway board of trustees or road district commissioner, as the case may be, shall levy and certify to the county clerk the amount necessary to be raised by taxation for road purposes and the road district commissioner shall levy and certify to the county clerk the amount necessary to be raised by taxation for the salaries of elected road district officials in the road district, as determined by the highway commissioner. Notwithstanding the foregoing, in townships located within Cook County, the township board of trustees shall be the authority to determine the estimate of the levy for such road purposes, and the township board of trustees shall levy and certify the county clerk the amounts necessary to be raised by the taxation for road purposes as determined by the township board of trustees on or before the last Tuesday of December.

The amount so certified shall be extended by the county clerk as road taxes against the taxable property of the district.

On or after October 10, 1991, a road district commissioner whose district is located in a county not under township organization may not levy separately a tax for salaries of elected road district officials unless the tax has been first approved by a majority of the electors voting on the question at a referendum conducted in accordance with the general election law. The question submitted to the electors at the referendum shall be in substantially the following form: "Shall the road district commissioner be authorized to levy an annual tax for the salaries of elected road district officials under Section 6-501 of the Illinois Highway Code?"

Except as is otherwise permitted by this Code and when the road district commissioner establishes the tax rate for the salaries of elected road district officials, the county clerk shall not extend taxes for road purposes against the taxable property in any road district at rates in excess of the following:

- (1) in a road district comprised of a single township in a county having township organization, at a rate in excess of .125% of the value, as equalized or assessed by the Department of Revenue; unless before the last Tuesday in December annually the highway commissioner of the township road district shall have secured the consent in writing of a majority of the members of the township board of trustees to the extension of a greater rate, in which case the rate shall not exceed that approved by a majority of the members of the township board of trustees, but in no case shall it exceed .165% of the value, as equalized or assessed by the Department. Once approved by the township board of trustees, the rate shall remain in effect until changed by the township board of trustees;
- (2) in a consolidated township road district, at a rate in excess of .175% of the value, as equalized or assessed by the Department of Revenue;
- (3) in a road district in a county not having township organization, at a rate in excess of .165% of the value, as equalized or assessed by the Department of Revenue.

However, road districts that have higher tax rate limitations on a permanent basis for road purposes on July 1, 1967, than the limitations herein provided, may continue to levy the road taxes at the higher limitations, and the county clerk shall extend the taxes at not to exceed the higher limitations.

If the amount of taxes levied by the township board of trustees or the highway board of trustees or approved by the county board in any case is in excess of the amount that may be extended the county clerk shall reduce the amount so that the rate extended shall be no greater than authorized by law. However, the tax shall not be reduced or scaled in any manner whatever by reason of the levy and extension by the county clerk of any tax to pay the principal or interest, or both, of any bonds issued by a

road district.

The taxes, when collected, shall be held by the treasurer of the district as the regular road fund of the district.

Notwithstanding any other provision of law, for a period of time ending 18 years after the effective date of this amendatory Act of 1994, a road district or consolidated road district may accumulate up to 50% of the taxes collected from a subdivision under this Section for improvements of nondedicated roads within the subdivision from which and for which the taxes were collected. These nondedicated roads will become a part of the township and district road system if the roads meet the criteria established by the counties in which the roads are located. The total accumulations under this provision may not exceed 10% of the total funds held by the district for road purposes. This provision applies only to townships within counties adjacent to a county with a population of 3,000,000 or more and only with respect to subdivisions whose plats were filed or recorded before July 23, 1959.

Any road district may accumulate funds for the purpose of acquiring, constructing, repairing and improving buildings and procuring land in relation to the building and for the purpose of procuring road maintenance apparatus and equipment, and for the construction of roads, and may annually levy taxes for the purposes in excess of its current requirements for other purposes, subject to the tax rate limitations provided in this Section, provided a proposition to accumulate funds for the purposes is first submitted to and approved by the electors of the district. The proposition shall be certified to the proper election officials by the district clerk upon the direction of the highway commissioner, and the election officials shall submit the proposition at a regular election. Notice and conduct of the referendum shall be in accordance with the general election law. The proposition shall be in substantially the following form:

Shall road district
accumulate funds in the amount
of \$..... for years YES
for the purpose of acquiring,
constructing, repairing and improving -----
buildings and procuring land
therefor, and for procuring road NO
maintenance apparatus and equipment
and for the construction of roads?

If a majority of the electors voting on the proposition vote in favor of it, the road district may use a portion of the funds levied, subject to the tax rate limitations provided in this Section, for the purposes for which accumulation was authorized. It shall not be a valid objection to any subsequent tax levy made under this Section, that there remains unexpended money arising from the levy of a prior year because of an accumulation permitted by this Section and provided for in the budget for that prior year.

(d) Any road district may accumulate moneys in a dedicated fund for a specific capital construction or maintenance project or a major equipment purchase without submitting a proposition to the electors of the district if the annual budget and appropriation ordinance for the road district states the amount, purpose, and duration of any accumulation of funds authorized under this Section, with specific reference to each project to be constructed or equipment to be purchased. Nothing in this subsection precludes a road district from accumulating moneys for non-specific purposes as provided in this Section.

(Source: P.A. 92-395, eff. 8-16-01; 92-656, eff. 7-16-02.)

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

Under the rules, the foregoing **Senate Bill No. 92**, with House Amendment No. 2, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:
SENATE BILL NO. 1226

A bill for AN ACT concerning education.

[November 9, 2011]

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

House Amendment No. 2 to SENATE BILL NO. 1226

House Amendment No. 3 to SENATE BILL NO. 1226

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 1226

AMENDMENT NO. 2. Amend Senate Bill 1226 on page 3, line 23, by replacing "students." with "students, and no less than 50% of the total number of enrollment positions in each incoming class must be reserved for students who live within proximity to the school. "Proximity to the school" means as all areas within the existing city limits of Chicago located south of 87th Street (8700 South) and west of Wood Street (1800 West).".

AMENDMENT NO. 3 TO SENATE BILL 1226

AMENDMENT NO. 3. Amend Senate Bill 1226 on page 6, immediately below line 20, by inserting the following:

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

Under the rules, the foregoing **Senate Bill No. 1226**, with House Amendments numbered 2 and 3, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 1377

A bill for AN ACT concerning health facilities.

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

House Amendment No. 1 to SENATE BILL NO. 1377

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1377

AMENDMENT NO. 1. Amend Senate Bill 1377 as follows:

on page 3, immediately below line 5, by inserting the following:

"Any hospital defined in this Section that opts to discontinue emergency services described in Section 1 shall:

- (1) comply with all provisions of the federal Emergency Medical Treatment & Labor Act (EMTALA);
- (2) comply with all provisions required under the Social Security Act;
- (3) provide annual notice to communities in the hospital's service area about available emergency medical services; and
- (4) make educational materials available to individuals who are present at the hospital concerning the availability of medical services within the hospital's service area."

Under the rules, the foregoing **Senate Bill No. 1377**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 1640

[November 9, 2011]

A bill for AN ACT concerning State government.

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

House Amendment No. 2 to SENATE BILL NO. 1640

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 1640

AMENDMENT NO. 2. Amend Senate Bill 1640 by replacing everything after the enacting clause with the following:

"Section 5. The State Officials and Employees Ethics Act is amended by changing Section 20-5 as follows:

(5 ILCS 430/20-5)

Sec. 20-5. Executive Ethics Commission.

(a) The Executive Ethics Commission is created.

(b) The Executive Ethics Commission shall consist of 9 commissioners. The Governor shall appoint 5 commissioners, and the Attorney General, Secretary of State, Comptroller, and Treasurer shall each appoint one commissioner. Appointments shall be made by and with the advice and consent of the Senate by three-fifths of the elected members concurring by record vote. Any nomination not acted upon by the Senate within 60 session days of the receipt thereof shall be deemed to have received the advice and consent of the Senate. If, during a recess of the Senate, there is a vacancy in an office of commissioner, the appointing authority shall make a temporary appointment until the next meeting of the Senate when the appointing authority shall make a nomination to fill that office. No person rejected for an office of commissioner shall, except by the Senate's request, be nominated again for that office at the same session of the Senate or be appointed to that office during a recess of that Senate. No more than 5 commissioners may be of the same political party.

The terms of the initial commissioners shall commence upon qualification. Four initial appointees of the Governor, as designated by the Governor, shall serve terms running through June 30, 2007. One initial appointee of the Governor, as designated by the Governor, and the initial appointees of the Attorney General, Secretary of State, Comptroller, and Treasurer shall serve terms running through June 30, 2008. The initial appointments shall be made within 60 days after the effective date of this Act.

After the initial terms, commissioners shall serve for 4-year terms commencing on July 1 of the year of appointment and running through June 30 of the fourth following year. Commissioners may be reappointed to one or more subsequent terms.

Vacancies occurring other than at the end of a term shall be filled by the appointing authority only for the balance of the term of the commissioner whose office is vacant.

Terms shall run regardless of whether the position is filled.

(c) The appointing authorities shall appoint commissioners who have experience holding governmental office or employment and shall appoint commissioners from the general public. A person is not eligible to serve as a commissioner if that person (i) has been convicted of a felony or a crime of dishonesty or moral turpitude, (ii) is, or was within the preceding 12 months, engaged in activities that require registration under the Lobbyist Registration Act, (iii) is related to the appointing authority, or (iv) is a State officer or employee.

(d) The Executive Ethics Commission shall have jurisdiction over all officers and employees of State agencies other than the General Assembly, the Senate, the House of Representatives, the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House of Representatives, the Senate Operations Commission, the legislative support services agencies, and the Office of the Auditor General. The Executive Ethics Commission shall have jurisdiction over all board members and employees of Regional Transit Boards. The jurisdiction of the Commission is limited to matters arising under this Act, except as provided in subsection (d-5).

A member or legislative branch State employee serving on an executive branch board or commission remains subject to the jurisdiction of the Legislative Ethics Commission and is not subject to the jurisdiction of the Executive Ethics Commission.

(d-5) The Executive Ethics Commission shall have jurisdiction over all chief procurement officers and procurement compliance monitors and their respective staffs. The Executive Ethics Commission shall have jurisdiction over any matters arising under the Illinois Procurement Code if the Commission is given explicit authority in that Code.

[November 9, 2011]

(d-6) (1) The Executive Ethics Commission shall have jurisdiction over the Illinois Power Agency and its staff. The Director of the Agency shall be appointed by a majority of the commissioners of the Executive Ethics Commission, subject to Senate confirmation, for a term of 2 years ~~provided that, notwithstanding any other provision of State law, the term of the Director holding the position on the effective date of this amendatory Act of the 97th General Assembly shall expire on December 31, 2013.~~ The Director is removable for cause by a majority of the Commission upon a finding of neglect, malfeasance, absence, or incompetence.

(2) In case of a vacancy in the office of Director of the Illinois Power Agency during a recess of the Senate, the Executive Ethics Commission may make a temporary appointment until the next meeting of the Senate, at which time the Executive Ethics Commission shall nominate some person to fill the office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until his or her successor is appointed and qualified. Nothing in this subsection shall prohibit the Executive Ethics Commission from removing a temporary appointee or from appointing a temporary appointee as the Director of the Illinois Power Agency.

(3) Prior to June 1, 2012, the Executive Ethics Commission may, until the Director of the Illinois Power Agency is appointed and qualified or a temporary appointment is made pursuant to paragraph (2) of this subsection, designate some person as an acting Director to execute the powers and discharge the duties vested by law in that Director. An acting Director shall serve no later than 60 calendar days, or upon the making of an appointment pursuant to paragraph (1) or (2) of this subsection, whichever is earlier. Nothing in this subsection shall prohibit the Executive Ethics Commission from removing an acting Director or from appointing an acting Director as the Director of the Illinois Power Agency.

(4) No person rejected by the Senate for the office of Director of the Illinois Power Agency shall, except at the Senate's request, be nominated again for that office at the same session or be appointed to that office during a recess of that Senate.

(e) The Executive Ethics Commission must meet, either in person or by other technological means, at least monthly and as often as necessary. At the first meeting of the Executive Ethics Commission, the commissioners shall choose from their number a chairperson and other officers that they deem appropriate. The terms of officers shall be for 2 years commencing July 1 and running through June 30 of the second following year. Meetings shall be held at the call of the chairperson or any 3 commissioners. Official action by the Commission shall require the affirmative vote of 5 commissioners, and a quorum shall consist of 5 commissioners. Commissioners shall receive compensation in an amount equal to the compensation of members of the State Board of Elections and may be reimbursed for their reasonable expenses actually incurred in the performance of their duties.

(f) No commissioner or employee of the Executive Ethics Commission may during his or her term of appointment or employment:

(1) become a candidate for any elective office;

(2) hold any other elected or appointed public office except for appointments on governmental advisory boards or study commissions or as otherwise expressly authorized by law;

(3) be actively involved in the affairs of any political party or political organization; or

(4) advocate for the appointment of another person to an appointed or elected office or position or actively participate in any campaign for any elective office.

(g) An appointing authority may remove a commissioner only for cause.

(h) The Executive Ethics Commission shall appoint an Executive Director. The compensation of the Executive Director shall be as determined by the Commission. The Executive Director of the Executive Ethics Commission may employ and determine the compensation of staff, as appropriations permit.

(i) The Executive Ethics Commission shall appoint, by a majority of the members appointed to the Commission, chief procurement officers and procurement compliance monitors in accordance with the provisions of the Illinois Procurement Code. The compensation of a chief procurement officer and procurement compliance monitor shall be determined by the Commission.

(Source: P.A. 96-555, eff. 8-18-09; 96-1528, eff. 7-1-11; 97-618, eff. 10-26-11.)

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

Under the rules, the foregoing **Senate Bill No. 1640**, with House Amendment No. 2, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:

[November 9, 2011]

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

SENATE BILL NO. 1750

A bill for AN ACT concerning State government.

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

House Amendment No. 1 to SENATE BILL NO. 1750

House Amendment No. 2 to SENATE BILL NO. 1750

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1750

AMENDMENT NO. 1. Amend Senate Bill 1750 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Procurement Code is amended by adding Section 1-13 as follows:
(30 ILCS 500/1-13 new)

Sec. 1-13. Applicability to public institutions of higher education.

(a) This Code shall apply to public institutions of higher education, regardless of the source of the funds with which contracts are paid, except as provided in this Section.

(b) Except as provided in this Section, this Code shall not apply to procurements made by or on behalf of public institutions of higher education for any of the following.

(1) Memberships in professional, academic, or athletic organizations on behalf of a public institution of higher education, an employee of a public institution of higher education, or a student at a public institution of higher education.

(2) Procurement expenditures for events or activities paid for exclusively by revenues generated by the event or activity, gifts or donations for the event or activity, private grants, or any combination thereof.

(3) Procurement expenditures for events or activities for which the use of specific vendors is mandated or identified by the sponsor of the event or activity, provided that the sponsor is providing a majority of the funding for the event or activity.

(4) Procurement expenditures necessary to provide artistic or musical services, performances, or productions held at a venue operated by a public institution of higher education.

(5) Procurement expenditures for periodicals and books procured for use by a university library or academic department, except for expenditures related to procuring text books for student use or materials for resale or rental.

Notice of each contract entered into by a public institution of higher education that is related to the procurement of goods and services identified in items (1) through (4) of this subsection shall be published in the Procurement Bulletin within 14 days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice. Each public institution of higher education shall provide the Chief Procurement Officer, on a monthly basis, in the form and content prescribed by the Chief Procurement Officer, a report of contracts that are related to the procurement of goods and services identified in this subsection. At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Code utilized. A copy of any or all of these contracts shall be made available to the Chief Procurement Officer immediately upon request. The Chief Procurement Officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the Chief Procurement Officer.

(c) Procurements made by or on behalf of public institutions of higher education for any of the following shall be made in accordance with the requirements of this Code to the extent practical as provided in this subsection.

(1) Contracts with a foreign entity necessary for research or educational activities, provided that the foreign entity either does not maintain an office in the United States or is the sole source of the service or product.

(2) Procurements of FDA-regulated goods, products, and services necessary for the delivery of care and treatment at medical, dental, or veterinary teaching facilities utilized by the University of Illinois or Southern Illinois University.

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(3) Contracts for programming and broadcast license rights for university-operated radio and television stations.

(4) Procurements required for fulfillment of a grant.

Upon the written request of a public institution of higher education, the Chief Procurement Officer may waive registration, certification, and hearing requirements of this Code if, based on the item to be procured or the terms of a grant, compliance is impractical. The public institution of higher education shall provide the Chief Procurement Officer with specific reasons for the waiver, including the necessity of contracting with a particular vendor, and shall certify that an effort was made in good faith to comply with the provisions of this Code. The Chief Procurement Officer shall provide written justification for any waivers. By November 1 of each year, the Chief Procurement Officer shall file a report with the General Assembly identifying each contract approved with waivers and providing the justification given for any waivers for each of those contracts. Notice of each waiver made under this subsection shall be published in the Procurement Bulletin within 14 days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice.

(d) Notwithstanding this Section, a waiver of the registration requirements of Section 20-160 does not permit a business entity and any affiliated entities or affiliated persons to make campaign contributions if otherwise prohibited by Section 50-37. The total amount of contracts awarded in accordance with this Section shall be included in determining the aggregate amount of contracts or pending bids of a business entity and any affiliated entities or affiliated persons.

(e) Notwithstanding subsection (e) of Section 50-10.5 of this Code, the Chief Procurement Officer, with the approval of the Executive Ethics Commission, may permit a public institution of higher education to accept a bid or enter into a contract with a business that assisted the public institution of higher education in determining whether there is a need for a contract or assisted in reviewing, drafting, or preparing documents related to a bid or contract, provided that the bid or contract is related to research administered by the public institution of higher education and it is in the best interest of the public institution of higher education to accept the bid or contract. For purposes of this subsection, "business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, manager, or shareholder of a business.

(f) As used in this Section:

"Grant" means non-appropriated funding provided by a federal or private entity to support a project or program administered by a public institution of higher education and any non-appropriated funding provided to a sub-recipient of the grant.

"Public institution of higher education" means Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University, University of Illinois, and Western Illinois University.

(g) This Section is repealed on December 31, 2014."

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

AMENDMENT NO. 2 TO SENATE BILL 1750

AMENDMENT NO. 2. Amend Senate Bill 1750, AS AMENDED, with reference to page and line numbers of House Amendment No. 1, on page 2, line 24, by replacing "(4)" with "(5)"; and

on page 5, line 17, by replacing "related" with "essential"; and

on page 5, by replacing line 24 with the following:

"manager, or shareholder of a business. The Executive Ethics Commission may promulgate rules and regulations for the implementation and administration of the provisions of this subsection (e)."

Under the rules, the foregoing **Senate Bill No. 1750**, with House Amendments numbered 1 and 2, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the acceptance of the Governor's specific recommendations for change, which are attached, to a bill of the following title, to-wit:

[November 9, 2011]

SENATE BILL 170

A bill for AN ACT concerning government.
Concurred in by the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House
<MSGEND>

SB0170AVM001

MOTION

I move to accept the specific recommendations of the Governor as to Senate Bill 170 in manner and form as follows:

**AMENDMENT TO SENATE BILL 170
IN ACCEPTANCE OF GOVERNOR'S RECOMMENDATIONS**

Amend Senate Bill 170 on pages 11 and 12, by replacing line 20 on page 11 through line 3 on page 12 with the following:

"(1-5) Establish a locally held account (referred to as the Account) to hold, maintain and administer the Therkelsen/Hansen College Loan Fund (referred to as the Fund). All cash represented by the Fund shall be transferred from the State Treasury to the Account. The Department shall promulgate rules regarding the maintenance and use of the Fund and all interest earned thereon; the eligibility of potential borrowers from the Fund; and the awarding and repayment of loans from the Fund; and other rules as applicable regarding the Fund. The administration of the Fund and the promulgation of rules regarding the Fund shall be consistent with the will of Petrea Therkelsen, which establishes the Fund."

Date: _____, 2011 _____

A message from the House by
Mr. Mapes, Clerk:

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

SENATE BILL NO. 165

A bill for AN ACT concerning local government.
Passed the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

A message from the House by
Mr. Mapes, Clerk:

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

SENATE BILL NO. 634

A bill for AN ACT concerning education.
Passed the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

A message from the House by
Mr. Mapes, Clerk:

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

SENATE BILL NO. 1587

A bill for AN ACT concerning the State Police.
Passed the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

LEGISLATIVE MEASURES FILED

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

[November 9, 2011]

Senate Floor Amendment No. 1 to Senate Bill 774

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

Senate Floor Amendment No. 2 to House Bill 3813
Senate Floor Amendment No. 2 to House Bill 3815

REPORTS FROM STANDING COMMITTEES

Senator Muñoz, Chairperson of the Committee on Executive Appointments, to which was referred **Appointment Messages Numbered 128 and 167**, reported the same back with the recommendation that the Senate do advise and consent.

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

Senator Delgado, Chairperson of the Committee on Public Health, to which was referred **House Bills Numbered 1708 and 3788**, reported the same back with the recommendation that the bills do pass.

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

Senator Meeks, Chairperson of the Committee on Education, to which was referred **House Bill No. 606**, reported the same back with the recommendation that the bill do pass.

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

Senator Meeks, Chairperson of the Committee on Education, to which was referred the Motion to Concur with House Amendments to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendments 3 and 4 to Senate Bill 1795

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

Senator Sandoval, Chairperson of the Committee on Transportation, to which was referred **House Joint Resolution No. 35**, reported the same back with the recommendation that the resolution be adopted.

Under the rules, **House Joint Resolution No. 35** was placed on the Secretary's Desk.

Senator Noland, of the Committee on Criminal Law, to which was referred **House Bill No. 1927**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

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

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

Motion to Concur in House Amendment 2 to Senate Bill 1697

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

Senator Raoul, Chairperson of the Committee on Pensions and Investments, to which was referred **House Bills Numbered 3813 and 3815**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

[November 9, 2011]

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

Senator Hutchinson, Chairperson of the Committee on Revenue, to which was referred **House Bills Numbered 384, 442, 503, 507 and 3840**, 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, Chairperson of the Committee on Revenue, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 2022

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

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

Motion to Concur in House Amendment 2 to Senate Bill 1335

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

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **House Bills Numbered 358, 506 and 735**, reported the same back with the recommendation that the bills do pass.

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

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **House Bill No. 1076**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

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

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

Motion to Concur in House Amendments 1 and 2 to Senate Bill 50

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

Senator Haine, Chairperson of the Committee on Insurance, to which was referred **House Bill No. 355**, reported the same back with the recommendation that the bill do pass.

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

Senator Haine, Chairperson of the Committee on Insurance, to which was referred **House Bill No. 1577**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

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

MOTION IN WRITING

Senator Forby submitted the following Motion in Writing:

I move that House Bill 2860 do pass, notwithstanding the specific recommendations of the Governor.

[November 9, 2011]

11/9/11
DATE

s/Gary Forby
SENATOR

The foregoing Motion in Writing was filed with the Secretary and ordered placed on the Senate Calendar.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Raoul, **House Bill No. 3813** having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1 TO HOUSE BILL 3813

AMENDMENT NO. 1. Amend House Bill 3813 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Sections 1-114, 1-135, 3-110, 4-108, 5-214, 6-209, 8-226, 8-233, 9-219, 11-215, 11-217, 15-107, 16-106, and 17-134 as follows:
(40 ILCS 5/1-114) (from Ch. 108 1/2, par. 1-114)

Sec. 1-114. Liability for Breach of Fiduciary Duty. (a) Any person who is a fiduciary with respect to a retirement system or pension fund established under this Code who breaches any duty imposed upon fiduciaries by this Code, including, but not limited to, a failure to report a reasonable suspicion of a false statement specified in Section 1-135 of this Code, shall be personally liable to make good to such retirement system or pension fund any losses to it resulting from each such breach, and to restore to such retirement system or pension fund any profits of such fiduciary which have been made through use of assets of the retirement system or pension fund by the fiduciary, and shall be subject to such equitable or remedial relief as the court may deem appropriate, including the removal of such fiduciary.

(b) No person shall be liable with respect to a breach of fiduciary duty under this Code if such breach occurred before such person became a fiduciary or after such person ceased to be a fiduciary.
(Source: P.A. 82-960.)

(40 ILCS 5/1-135)

Sec. 1-135. Fraud. Any person who knowingly makes any false statement or falsifies or permits to be falsified any record of a retirement system or pension fund created under this Code or the Illinois State Board of Investment in an attempt to defraud the retirement system or pension fund created under this Code or the Illinois State Board of Investment is guilty of a Class 3 felony. Any reasonable suspicion by any appointed or elected commissioner, trustee, director, or board member of a retirement system or pension fund created under this Code or the State Board of Investment of a false statement or falsified record being submitted or permitted by a person under this Code shall be immediately referred to the board of trustees of the applicable retirement system or pension fund created under this Code, the State Board of Investment, or the State's Attorney of the jurisdiction where the alleged fraudulent activity occurred. The board of trustees of a retirement system or pension fund created under this Code or the State Board of Investment shall immediately notify the State's Attorney of the jurisdiction where any alleged fraudulent activity occurred for investigation. For the purposes of this Section, "reasonable suspicion" means a belief, based upon specific and articulable facts, taken together with rational inferences from those facts, that would lead a reasonable person to believe that fraud has been, or will be, committed. A reasonable suspicion is more than a non-particularized suspicion. A mere inconsistency, standing alone, does not give rise to a reasonable suspicion.

(Source: P.A. 96-6, eff. 4-3-09.)

(40 ILCS 5/3-110) (from Ch. 108 1/2, par. 3-110)

Sec. 3-110. Creditable service.

(a) "Creditable service" is the time served by a police officer as a member of a regularly constituted police force of a municipality. In computing creditable service furloughs without pay exceeding 30 days shall not be counted, but all leaves of absence for illness or accident, regardless of length, and all periods of disability retirement for which a police officer has received no disability pension payments under this Article shall be counted.

(a-5) Up to 3 years of time during which the police officer receives a disability pension under Section 3-114.1, 3-114.2, 3-114.3, or 3-114.6 shall be counted as creditable service, provided that (i) the police

[November 9, 2011]

officer returns to active service after the disability for a period at least equal to the period for which credit is to be established and (ii) the police officer makes contributions to the fund based on the rates specified in Section 3-125.1 and the salary upon which the disability pension is based. These contributions may be paid at any time prior to the commencement of a retirement pension. The police officer may, but need not, elect to have the contributions deducted from the disability pension or to pay them in installments on a schedule approved by the board. If not deducted from the disability pension, the contributions shall include interest at the rate of 6% per year, compounded annually, from the date for which service credit is being established to the date of payment. If contributions are paid under this subsection (a-5) in excess of those needed to establish the credit, the excess shall be refunded. This subsection (a-5) applies to persons receiving a disability pension under Section 3-114.1, 3-114.2, 3-114.3, or 3-114.6 on the effective date of this amendatory Act of the 91st General Assembly, as well as persons who begin to receive such a disability pension after that date.

(b) Creditable service includes all periods of service in the military, naval or air forces of the United States entered upon while an active police officer of a municipality, provided that upon applying for a permanent pension, and in accordance with the rules of the board, the police officer pays into the fund the amount the officer would have contributed if he or she had been a regular contributor during such period, to the extent that the municipality which the police officer served has not made such contributions in the officer's behalf. The total amount of such creditable service shall not exceed 5 years, except that any police officer who on July 1, 1973 had more than 5 years of such creditable service shall receive the total amount thereof.

(b-5) Creditable service includes all periods of service in the military, naval, or air forces of the United States entered upon before beginning service as an active police officer of a municipality, provided that, in accordance with the rules of the board, the police officer pays into the fund the amount the police officer would have contributed if he or she had been a regular contributor during such period, plus an amount determined by the Board to be equal to the municipality's normal cost of the benefit, plus interest at the actuarially assumed rate calculated from the date the employee last became a police officer under this Article. The total amount of such creditable service shall not exceed 2 years.

(c) Creditable service also includes service rendered by a police officer while on leave of absence from a police department to serve as an executive of an organization whose membership consists of members of a police department, subject to the following conditions: (i) the police officer is a participant of a fund established under this Article with at least 10 years of service as a police officer; (ii) the police officer received no credit for such service under any other retirement system, pension fund, or annuity and benefit fund included in this Code; (iii) pursuant to the rules of the board the police officer pays to the fund the amount he or she would have contributed had the officer been an active member of the police department; ~~and~~ (iv) the organization pays a contribution equal to the municipality's normal cost for that period of service ; and (v) for all leaves of absence under this subsection (c), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the police officer continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute.

(d)(1) Creditable service also includes periods of service originally established in another police pension fund under this Article or in the Fund established under Article 7 of this Code for which (i) the contributions have been transferred under Section 3-110.7 or Section 7-139.9 and (ii) any additional contribution required under paragraph (2) of this subsection has been paid in full in accordance with the requirements of this subsection (d).

(2) If the board of the pension fund to which creditable service and related contributions are transferred under Section 7-139.9 determines that the amount transferred is less than the true cost to the pension fund of allowing that creditable service to be established, then in order to establish that creditable service the police officer must pay to the pension fund, within the payment period specified in paragraph (3) of this subsection, an additional contribution equal to the difference, as determined by the board in accordance with the rules and procedures adopted under paragraph (6) of this subsection. If the board of the pension fund to which creditable service and related contributions are transferred under Section 3-110.7 determines that the amount transferred is less than the true cost to the pension fund of allowing that creditable service to be established, then the police officer may elect (A) to establish that creditable service by paying to the pension fund, within the payment period specified in paragraph (3) of this subsection (d), an additional contribution equal to the difference, as determined by the board in accordance with the rules and procedures adopted under paragraph (6) of this subsection (d) or (B) to have his or her creditable service reduced by an amount equal to the difference between the amount transferred under Section 3-110.7 and the true cost to the pension fund of allowing that creditable service to be established, as determined by the board in

accordance with the rules and procedures adopted under paragraph (6) of this subsection (d).

(3) Except as provided in paragraph (4), the additional contribution that is required or elected under paragraph (2) of this subsection (d) must be paid to the board (i) within 5 years from the date of the transfer of contributions under Section 3-110.7 or 7-139.9 and (ii) before the police officer terminates service with the fund. The additional contribution may be paid in a lump sum or in accordance with a schedule of installment payments authorized by the board.

(4) If the police officer dies in service before payment in full has been made and before the expiration of the 5-year payment period, the surviving spouse of the officer may elect to pay the unpaid amount on the officer's behalf within 6 months after the date of death, in which case the creditable service shall be granted as though the deceased police officer had paid the remaining balance on the day before the date of death.

(5) If the additional contribution that is required or elected under paragraph (2) of this subsection (d) is not paid in full within the required time, the creditable service shall not be granted and the police officer (or the officer's surviving spouse or estate) shall be entitled to receive a refund of (i) any partial payment of the additional contribution that has been made by the police officer and (ii) those portions of the amounts transferred under subdivision (a)(1) of Section 3-110.7 or subdivisions (a)(1) and (a)(3) of Section 7-139.9 that represent employee contributions paid by the police officer (but not the accumulated interest on those contributions) and interest paid by the police officer to the prior pension fund in order to reinstate service terminated by acceptance of a refund.

At the time of paying a refund under this item (5), the pension fund shall also repay to the pension fund from which the contributions were transferred under Section 3-110.7 or 7-139.9 the amount originally transferred under subdivision (a)(2) of that Section, plus interest at the rate of 6% per year, compounded annually, from the date of the original transfer to the date of repayment. Amounts repaid to the Article 7 fund under this provision shall be credited to the appropriate municipality.

Transferred credit that is not granted due to failure to pay the additional contribution within the required time is lost; it may not be transferred to another pension fund and may not be reinstated in the pension fund from which it was transferred.

(6) The Public Employee Pension Fund Division of the Department of Insurance shall establish by rule the manner of making the calculation required under paragraph (2) of this subsection, taking into account the appropriate actuarial assumptions; the police officer's service, age, and salary history; the level of funding of the pension fund to which the credits are being transferred; and any other factors that the Division determines to be relevant. The rules may require that all calculations made under paragraph (2) be reported to the Division by the board performing the calculation, together with documentation of the creditable service to be transferred, the amounts of contributions and interest to be transferred, the manner in which the calculation was performed, the numbers relied upon in making the calculation, the results of the calculation, and any other information the Division may deem useful.

(e)(1) Creditable service also includes periods of service originally established in the Fund established under Article 7 of this Code for which the contributions have been transferred under Section 7-139.11.

(2) If the board of the pension fund to which creditable service and related contributions are transferred under Section 7-139.11 determines that the amount transferred is less than the true cost to the pension fund of allowing that creditable service to be established, then the amount of creditable service the police officer may establish under this subsection (e) shall be reduced by an amount equal to the difference, as determined by the board in accordance with the rules and procedures adopted under paragraph (3) of this subsection.

(3) The Public Pension Division of the Department of Financial and Professional Regulation shall establish by rule the manner of making the calculation required under paragraph (2) of this subsection, taking into account the appropriate actuarial assumptions; the police officer's service, age, and salary history; the level of funding of the pension fund to which the credits are being transferred; and any other factors that the Division determines to be relevant. The rules may require that all calculations made under paragraph (2) be reported to the Division by the board performing the calculation, together with documentation of the creditable service to be transferred, the amounts of contributions and interest to be transferred, the manner in which the calculation was performed, the numbers relied upon in making the calculation, the results of the calculation, and any other information the Division may deem useful.

(4) Until January 1, 2010, a police officer who transferred service from the Fund established under Article 7 of this Code under the provisions of Public Act 94-356 may establish

additional credit, but only for the amount of the service credit reduction in that transfer, as calculated under paragraph (3) of this subsection (e). This credit may be established upon payment by the police officer of an amount to be determined by the board, equal to (1) the amount that would have been contributed as employee and employer contributions had all of the service been as an employee under this Article, plus interest thereon at the rate of 6% per year, compounded annually from the date of service to the date of transfer, less (2) the total amount transferred from the Article 7 Fund, plus (3) interest on the difference at the rate of 6% per year, compounded annually, from the date of the transfer to the date of payment. The additional service credit is allowed under this amendatory Act of the 95th General Assembly notwithstanding the provisions of Article 7 terminating all transferred credits on the date of transfer.

(Source: P.A. 95-812, eff. 8-13-08; 96-297, eff. 8-11-09; 96-1260, eff. 7-23-10.)

(40 ILCS 5/4-108) (from Ch. 108 1/2, par. 4-108)

Sec. 4-108. Creditable service.

(a) Creditable service is the time served as a firefighter of a municipality. In computing creditable service, furloughs and leaves of absence without pay exceeding 30 days in any one year shall not be counted, but leaves of absence for illness or accident regardless of length, and periods of disability for which a firefighter received no disability pension payments under this Article, shall be counted.

(b) Furloughs and leaves of absence of 30 days or less in any one year may be counted as creditable service, if the firefighter makes the contribution to the fund that would have been required had he or she not been on furlough or leave of absence. To qualify for this creditable service, the firefighter must pay the required contributions to the fund not more than 90 days subsequent to the termination of the furlough or leave of absence, to the extent that the municipality has not made such contribution on his or her behalf.

(c) Creditable service includes:

(1) Service in the military, naval or air forces of the United States entered upon when the person was an active firefighter, provided that, upon applying for a permanent pension, and in accordance with the rules of the board the firefighter pays into the fund the amount that would have been contributed had he or she been a regular contributor during such period of service, if and to the extent that the municipality which the firefighter served made no such contributions in his or her behalf. The total amount of such creditable service shall not exceed 5 years, except that any firefighter who on July 1, 1973 had more than 5 years of such creditable service shall receive the total amount thereof as of that date.

(1.5) Up to 24 months of service in the military, naval, or air forces of the United States that was served prior to employment by a municipality or fire protection district as a firefighter. To receive the credit for the military service prior to the employment as a firefighter, the firefighter must apply in writing to the fund and must make contributions to the fund equal to (i) the employee contributions that would have been required had the service been rendered as a member, plus (ii) an amount determined by the fund to be equal to the employer's normal cost of the benefits accrued for that military service, plus (iii) interest at the actuarially assumed rate provided by the Department of Financial and Professional Regulation, compounded annually from the first date of membership in the fund to the date of payment on items (i) and (ii). The changes to this paragraph (1.5) by this amendatory Act of the 95th General Assembly apply only to participating employees in service on or after its effective date.

(2) Service prior to July 1, 1976 by a firefighter initially excluded from participation by reason of age who elected to participate and paid the required contributions for such service.

(3) Up to 8 years of service by a firefighter as an officer in a statewide firefighters' association when he is on a leave of absence from a municipality's payroll, provided that (i) the firefighter has at least 10 years of creditable service as an active firefighter, (ii) the firefighter contributes to the fund the amount that he would have contributed had he remained an active member of the fund, ~~and~~ (iii) the employee or statewide firefighter association contributes to the fund an amount equal to the employer's required contribution as determined by the board, and (iv) for all leaves of absence under this subdivision (3), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the firefighter continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute.

(4) Time spent as an on-call fireman for a municipality, calculated at the rate of one year of creditable service for each 5 years of time spent as an on-call fireman, provided that (i) the firefighter has at least 18 years of creditable service as an active firefighter, (ii) the firefighter spent at least 14 years as an on-call firefighter for the municipality, (iii) the firefighter applies for such creditable service within 30 days after the effective date of this amendatory Act of 1989, (iv) the

firefighter contributes to the Fund an amount representing employee contributions for the number of years of creditable service granted under this subdivision (4), based on the salary and contribution rate in effect for the firefighter at the date of entry into the Fund, to be determined by the board, and (v) not more than 3 years of creditable service may be granted under this subdivision (4).

Except as provided in Section 4-108.5, creditable service shall not include time spent as a volunteer firefighter, whether or not any compensation was received therefor. The change made in this Section by Public Act 83-0463 is intended to be a restatement and clarification of existing law, and does not imply that creditable service was previously allowed under this Article for time spent as a volunteer firefighter.

(5) Time served between July 1, 1976 and July 1, 1988 in the position of protective inspection officer or administrative assistant for fire services, for a municipality with a population under 10,000 that is located in a county with a population over 3,000,000 and that maintains a firefighters' pension fund under this Article, if the position included firefighting duties, notwithstanding that the person may not have held an appointment as a firefighter, provided that application is made to the pension fund within 30 days after the effective date of this amendatory Act of 1991, and the corresponding contributions are paid for the number of years of service granted, based upon the salary and contribution rate in effect for the firefighter at the date of entry into the pension fund, as determined by the Board.

(6) Service before becoming a participant by a firefighter initially excluded from participation by reason of age who becomes a participant under the amendment to Section 4-107 made by this amendatory Act of 1993 and pays the required contributions for such service.

(7) Up to 3 years of time during which the firefighter receives a disability pension under Section 4-110, 4-110.1, or 4-111, provided that (i) the firefighter returns to active service after the disability for a period at least equal to the period for which credit is to be established and (ii) the firefighter makes contributions to the fund based on the rates specified in Section 4-118.1 and the salary upon which the disability pension is based. These contributions may be paid at any time prior to the commencement of a retirement pension. The firefighter may, but need not, elect to have the contributions deducted from the disability pension or to pay them in installments on a schedule approved by the board. If not deducted from the disability pension, the contributions shall include interest at the rate of 6% per year, compounded annually, from the date for which service credit is being established to the date of payment. If contributions are paid under this subdivision (c)(7) in excess of those needed to establish the credit, the excess shall be refunded. This subdivision (c)(7) applies to persons receiving a disability pension under Section 4-110, 4-110.1, or 4-111 on the effective date of this amendatory Act of the 91st General Assembly, as well as persons who begin to receive such a disability pension after that date.

(Source: P.A. 94-856, eff. 6-15-06; 95-1056, eff. 4-10-09.)

(40 ILCS 5/5-214) (from Ch. 108 1/2, par. 5-214)

Sec. 5-214. Credit for other service. Any participant in this fund (other than a member of the fire department of the city) who has rendered service as a member of the police department of the city for a period of 3 years or more is entitled to credit for the various purposes of this Article for service rendered prior to becoming a member or subsequent thereto for the following periods:

(a) While on leave of absence from the police department assigned or detailed to investigative, protective, security or police work for the park district of the city, the department of the Port of Chicago or the sanitary district in which the city is located.

(b) As a temporary police officer in the city or while serving in the office of the mayor or in the office of the corporation counsel, as a member of the city council of the city, as an employee of the Policemen's Annuity and Benefit Fund created by this Article, as the head of an organization whose membership consists of members of the police department, the Public Vehicle License Commission and the board of election commissioners of the city, provided that, in each of these cases and for all periods specified in this item (b), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the police officer is on leave to special duty assignments and continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute.

(c) While performing safety or investigative work for the county in which such city is principally located or for the State of Illinois or for the federal government, on leave of absence from the department of police, or while performing investigative work for the department as a civilian employee of the department.

(d) While on leave of absence from the police department of the city and serving as the chief of police of a police department outside the city.

No credit shall be granted in this fund, however, for this service if the policeman has credit therefor in any other annuity and benefit fund, or unless he contributes to this fund the amount he would have contributed with interest had he remained an active member of the police department in the position he occupied as a result of a civil service competitive examination, certification and appointment by the Civil Service Board; or in the case of a city operating under the provisions of a personnel ordinance the position he occupied as a result of a personnel ordinance competitive examination certification and appointment under the authority of a Municipal Personnel ordinance.

Concurrently with such contributions, the city shall contribute the amounts provided by this Article. No credit shall be allowed for any period of time for which contributions by the policeman have not been paid. The period of service rendered by such policeman prior to the date he became a member of the police department of the city or while detailed, assigned or on leave of absence and employed in any of the departments set forth hereinabove in this Section for which such policeman has contributed to this fund shall be credited to him as service for all the purposes of this Article, except that he shall not have any of the rights conferred by the provisions of Sections 5-127 and 5-162 of this Article.

The changes in this Section made by Public Act 86-273 shall apply to members of the fund who have not begun receiving a pension under this Article on August 23, 1989, without regard to whether employment is terminated before that date.

(Source: P.A. 86-273; 87-1265.)

(40 ILCS 5/6-209) (from Ch. 108 1/2, par. 6-209)

Sec. 6-209. In computing the service rendered by a fireman prior to the effective date, the following periods shall be counted, in addition to all periods during which he performed the duties of his position, as periods of service for annuity purposes only: All periods of (a) vacation, (b) leave of absence with whole or part pay, (c) leave of absence without pay which were necessary on account of disability, and (d) leave of absence during which he was engaged in the military or naval service of the United States of America. Service credit shall not be allowed for any period during which a fireman was in receipt of pension on account of disability from any pension fund superseded by this fund.

In computing the service rendered by a fireman on and after the effective date, the following periods shall be counted in addition to all periods during which he performed the duties of his position, as periods of service for annuity purposes only: All periods of (a) vacation, (b) leave of absence with whole or part pay, (c) leave of absence during which he was engaged in the military or naval service of the United States of America, (d) disability for which he receives any disability benefit, (e) disability for which he receives whole or part pay, (f) leave of absence, or other authorized relief from active duty, during which he served as president of The Firemen's Association of Chicago, provided that for all leaves of absence or other authorized relief under this item (f), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the fireman continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute, (g) periods of suspension from duty not to exceed a total of one year during the total period of service of the fireman, and (h) a period of time not to exceed 23 days in 1980 in accordance with an agreement with the City on a settlement of strike; provided that the fireman elects to make contributions to the Fund for the various annuity and benefit purposes according to the provisions of this Article as though he were an active fireman, based upon the salary attached to the civil service rank held by him during such absence from duty, and if the fireman so elects, the city shall make the prescribed concurrent contributions for such annuity and benefit purposes as provided in this Article, all to the end that such fireman shall be entitled to receive the same annuities and benefits for which he would otherwise be eligible if he had continued as an active fireman during the periods of absence from duty.

In computing service on and after the effective date for ordinary disability benefit, all periods described in the preceding paragraph, except any period for which a fireman receives ordinary disability benefit, shall be counted as periods of service.

In computing service for any of the purposes of this Article, credit shall be given for any periods prior to January 9, 1997, during which an active fireman (or fire paramedic) who is a member of the General Assembly is on leave of absence or is otherwise authorized to be absent from duty to enable him to perform his legislative duties, notwithstanding any reduction in salary for such periods and notwithstanding that the contributions paid by the fireman were based on such reduced salary rather than the full amount of salary attached to his civil service rank.

In computing service for any of the purposes of this Article, no credit shall be given for any period during which a fireman was not rendering active service because of his discharge from the service, unless proceedings to test the legality of the discharge are filed in a court of competent jurisdiction within one year from the date of discharge and a final judgment is entered therein declaring the discharge illegal.

[November 9, 2011]

No overtime or extra service shall be included in computing service of a fireman and not more than one year or a proper fractional part thereof of service shall be allowed for service rendered during any calendar year.

(Source: P.A. 86-273; 86-1488; 87-1265.)

(40 ILCS 5/8-226) (from Ch. 108 1/2, par. 8-226)

Sec. 8-226. Computation of service. In computing the term of service of an employee prior to the effective date, the entire period beginning on the date he was first appointed and ending on the day before the effective date, except any intervening period during which he was separated by withdrawal from service, shall be counted for all purposes of this Article, except that for any employee who was not in service on the day before the effective date, service rendered prior to such date shall not be considered for the purposes of Section 8-138.

For a person employed by an employer for whom this Article was in effect prior to January 1, 1950, from whose salary deductions are first made under this Article after December 31, 1949, any period of service rendered prior to the effective date, unless he was in service on the day before the effective date, shall not be counted as service.

The time a person was an employee of any territory annexed to the city prior to the effective date shall be counted as a period of service.

In computing the term of service of any employee subsequent to the day before the effective date, the following periods shall be counted as periods of service for age and service, widow's and child's annuity purposes:

(a) The time during which he performed the duties of his position;

(b) Vacations, leaves of absence with whole or part pay, and leaves of absence without pay not longer than 90 days;

(c) Leaves of absence without pay that begin before the effective date of this amendatory Act of the 97th General Assembly and during which a participant is employed full-time by a

local labor organization that represents municipal employees, provided that (1) the participant continues to make employee contributions to the Fund as though he were an active employee, based on the regular salary rate received by the participant for his municipal employment immediately prior to such leave of absence (and in the case of such employment prior to December 9, 1987, pays to the Fund an amount equal to the employee contributions for such employment plus regular interest thereon as calculated by the board), and based on his current salary with such labor organization after the effective date of this amendatory Act of 1991, (2) after January 1, 1989 the participant, or the labor organization on the participant's behalf, makes contributions to the Fund as though it were the employer, in the same amount and same manner as specified under this Article, based on the regular salary rate received by the participant for his municipal employment immediately prior to such leave of absence, and based on his current salary with such labor organization after the effective date of this amendatory Act of 1991, and (3) the participant does not receive credit in any pension plan established by the local labor organization based on his employment by the organization;

(d) Any period of disability for which he received (i) a disability benefit under this Article, or (ii) a temporary total disability benefit under the Workers' Compensation Act if the disability results from a condition commonly termed heart attack or stroke or any other condition falling within the broad field of coronary involvement or heart disease, or (iii) whole or part pay;

(e) Any period for which contributions and service credit have been transferred to this

Fund under subsection (d) of Section 9-121.1 or subsection (d) of Section 12-127.1 of this Code.

For a person employed by an employer in which the 1921 Act was in effect prior to January 1, 1950, from whose salary deductions are first made under the 1921 Act or this Article after December 31, 1949, any period of service rendered subsequent to the effective date and prior to the date he became an employee and contributor, shall not be counted as a period of service under this Article, except such period for which he made payment as provided in Section 8-230 of this Article, in which case such period shall be counted as a period of service for all annuity purposes hereunder.

In computing the term of service of an employee subsequent to the day before the effective date for ordinary disability benefit purposes, all periods described in the preceding paragraph, except any such period for which he receives ordinary disability benefit, shall be counted as periods of service; provided, that for any person employed by an employer in which this Article was in effect prior to January 1, 1950, from whose salary deductions are first made under this Article after December 31, 1949, any period of service rendered subsequent to the effective date and prior to the date he became an employee and contributor, shall not be counted as a period of service for ordinary disability benefit purposes, unless the person made payment for the period as provided in Section 8-230 of this Article, in which case the period shall be counted as a period of service for ordinary disability purposes for periods of disability on

or after the effective date of this amendatory Act of 1997.

Overtime or extra service shall not be included in computing any term of service. Not more than 1 year of service shall be allowed for service rendered during any calendar year.

For the purposes of this Section, the phrase "any pension plan established by the local labor organization" means any pension plan in which a participant may receive credit as a result of his or her membership in the local labor organization, including, but not limited to, the local labor organization itself and its affiliates at the local, intrastate, State, multi-state, national, or international level. The definition of this phrase is a declaration of existing law and shall not be construed as a new enactment.
(Source: P.A. 90-511, eff. 8-22-97.)

(40 ILCS 5/8-233) (from Ch. 108 1/2, par. 8-233)

Sec. 8-233. Basis of annual salary. For the purpose of this Article, the annual salary of an employee whose salary or wage is appropriated, fixed, or arranged in the annual appropriation ordinance upon other than an annual basis shall be determined as follows:

(a) If the employee is paid on a monthly basis, the annual salary is 12 times the monthly salary. If the employee is paid on a weekly basis, the annual salary is 52 times the weekly salary.

"Monthly salary" means the amount of compensation or salary appropriated and payable for a normal and regular month's work in the employee's position in the service. "Weekly salary" means the amount of compensation or salary appropriated and payable for a normal and regular week's work in the employee's position in the service. If the work is on a regularly scheduled part time basis, then "monthly salary" and "weekly salary" refer, respectively, to the part time monthly or weekly salary.

If the appropriation for the position is for a shorter period than 12 months a year, or 52 weeks a year if on a weekly basis, or the employee is in a class, grade, or category in which the employee normally works for fewer than 12 months or 52 weeks a year, then the basis shall be adjusted downward to the extent that the appropriated or customary work period is less than the normal 12 months or 52 weeks of service in a year.

Compensation for overtime, at regular or overtime rates, that is paid in addition to the appropriated regular and normal monthly or weekly salary shall not be considered.

(b) If the employee is paid on a daily basis, the annual salary is 260 times the daily wage. If the employee is paid on an hourly basis, the annual salary is 2080 times the hourly wage.

The norm is based on a 12-month per year, 5-day work week of 8 hours per day and 40 hours per week, with consideration given only to time compensated for at the straight time rate of compensation or wage. The norm shall be increased (subject to a maximum of 300 days or 2400 hours per year) or decreased for an employee to the extent that the normal and established work period, at the straight time compensation or wage for the position held in the class, grade, or category in which the employee is assigned, is for a greater or lesser number of months, weeks, days, or hours than the period on which the established norm is based.

"Daily wage" and "hourly wage" mean, respectively, the normal, regular, or basic straight time rate of compensation or wage appropriated and payable for a normal and regular day's work, or hour's work, in the employee's position in the service.

Any time worked in excess of the norm (or the increased or decreased norm, whichever is applicable) that is compensated for at overtime, premium, or other than regular or basic straight time rates shall not be considered as time worked, and the compensation for that work shall not be considered as salary or wage. Such time and compensation shall in every case and for all purposes be considered overtime and shall be excluded for all purposes under this Article. However, the straight time portion of compensation or wage, for time worked on holidays that fall within an employee's established norm, shall be included for all purposes under this Article.

(c) For minimum annuity purposes under Section 8-138, where a salary rate change occurs during the year, it shall be considered that the annual salary for that year is (1) the annual equivalent of the monthly, weekly, daily, or hourly salary or wage rate that was applicable for the greater number of months, weeks, days, or hours (whichever is applicable) in the year under consideration, or (2) the annual equivalent of the average salary or wage rate in effect for the employee during the year, whichever is greater. The average salary or wage rate shall be calculated by multiplying each salary or wage rate in effect for the employee during the year by the number of months, weeks, days, or hours (whichever is applicable) during which that rate was in effect, and dividing the sum of the resulting products by the total number of months, weeks, days, or hours (whichever is applicable) worked by the employee during the year.

(d) The changes to subsection (c) made by this amendatory Act of 1997 apply to persons withdrawing from service on or after July 1, 1990 and for each such person are intended to be retroactive to the date upon which the affected annuity began. The Fund shall recompute the affected annuity and shall pay the

additional amount due for the period before the increase resulting from this amendatory Act in a lump sum, without interest.

(e) This Article shall not be construed to authorize a salary paid by an entity other than an employer, as defined in Section 8-110, to be used to calculate the highest average annual salary of a participant. This subsection (e) is a declaration of existing law and shall not be construed as a new enactment.

(Source: P.A. 90-31, eff. 6-27-97.)

(40 ILCS 5/9-219) (from Ch. 108 1/2, par. 9-219)

Sec. 9-219. Computation of service.

(1) In computing the term of service of an employee prior to the effective date, the entire period beginning on the date he was first appointed and ending on the day before the effective date, except any intervening period during which he was separated by withdrawal from service, shall be counted for all purposes of this Article.

(2) In computing the term of service of any employee on or after the effective date, the following periods of time shall be counted as periods of service for age and service, widow's and child's annuity purposes:

(a) The time during which he performed the duties of his position.

(b) Vacations, leaves of absence with whole or part pay, and leaves of absence without pay not longer than 90 days.

(c) For an employee who is a member of a county police department or a correctional officer with the county department of corrections, approved leaves of absence without pay during which the employee serves as a full-time officer or employee of an employee association, the membership of which consists of other participants in the Fund, provided that the employee contributes to the Fund (1) the amount that he would have contributed had he remained an active employee in the position he occupied at the time the leave of absence was granted, (2) an amount calculated by the Board representing employer contributions, and (3) regular interest thereon from the date of service to the date of payment. However, if the employee's application to establish credit under this subsection is received by the Fund on or after July 1, 2002 and before July 1, 2003, the amount representing employer contributions specified in item (2) shall be waived.

For a former member of a county police department who has received a refund under

Section 9-164, periods during which the employee serves as head of an employee association, the membership of which consists of other police officers, provided that the employee contributes to the Fund (1) the amount that he would have contributed had he remained an active member of the county police department in the position he occupied at the time he left service, (2) an amount calculated by the Board representing employer contributions, and (3) regular interest thereon from the date of service to the date of payment. However, if the former member of the county police department retires on or after January 1, 1993 but no later than March 1, 1993, the amount representing employer contributions specified in item (2) shall be waived.

For leaves of absence to which this item (c) applies and for other periods to which this item (c) applies, including those leaves of absence and other periods of service beginning before the effective date of this amendatory Act of the 97th General Assembly, the employee or former member must continue to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute.

(d) Any period of disability for which he received disability benefit or whole or part pay.

(e) Accumulated vacation or other time for which an employee who retires on or after November 1, 1990 receives a lump sum payment at the time of retirement, provided that contributions were made to the fund at the time such lump sum payment was received. The service granted for the lump sum payment shall not change the employee's date of withdrawal for computing the effective date of the annuity.

(f) An employee may receive service credit for annuity purposes for accumulated sick leave as of the date of the employee's withdrawal from service, not to exceed a total of 180 days, provided that the amount of such accumulated sick leave is certified by the County Comptroller to the Board and the employee pays an amount equal to 8.5% (9% for members of the County Police Department who are eligible to receive an annuity under Section 9-128.1) of the amount that would have been paid had such accumulated sick leave been paid at the employee's final rate of salary. Such payment shall be made within 30 days after the date of withdrawal and prior to receipt of the first annuity check. The service credit granted for such accumulated sick leave shall not change the employee's date of withdrawal for the purpose of computing the effective date of the annuity.

(3) In computing the term of service of an employee on or after the effective date for ordinary

disability benefit purposes, the following periods of time shall be counted as periods of service:

- (a) Unless otherwise specified in Section 9-157, the time during which he performed the duties of his position.
- (b) Paid vacations and leaves of absence with whole or part pay.
- (c) Any period for which he received duty disability benefit.
- (d) Any period of disability for which he received whole or part pay.

(4) For an employee who on January 1, 1958, was transferred by Act of the 70th General Assembly from his position in a department of welfare of any city located in the county in which this Article is in force and effect to a similar position in a department of such county, service shall also be credited for ordinary disability benefit and child's annuity for such period of department of welfare service during which period he was a contributor to a statutory annuity and benefit fund in such city and for which purposes service credit would otherwise not be credited by virtue of such involuntary transfer.

(5) An employee described in subsection (e) of Section 9-108 shall receive credit for child's annuity and ordinary disability benefit for the period of time for which he was credited with service in the fund from which he was involuntarily separated through class or group transfer; provided, that no such credit shall be allowed to the extent that it results in a duplication of credits or benefits, and neither shall such credit be allowed to the extent that it was or may be forfeited by the application for and acceptance of a refund from the fund from which the employee was transferred.

(6) Overtime or extra service shall not be included in computing service. Not more than 1 year of service shall be allowed for service rendered during any calendar year.

(Source: P.A. 92-599, eff. 6-28-02.)

(40 ILCS 5/11-215) (from Ch. 108 1/2, par. 11-215)

Sec. 11-215. Computation of service.

(a) In computing the term of service of an employee prior to the effective date, the entire period beginning on the date he was first appointed and ending on the day before the effective date, except any intervening period during which he was separated by withdrawal from service, shall be counted for all purposes of this Article. Only the first year of each period of lay-off or leave of absence without pay, continuing or extending for a period in excess of one year, shall be counted as such service.

(b) For a person employed by an employer for whom this Article was in effect prior to August 1, 1949, from whose salary deductions are first made under this Article after July 31, 1949, any period of service rendered prior to the effective date, unless he was in service on the day before the effective date, shall not be counted as service.

(c) In computing the term of service of an employee subsequent to the day before the effective date, the following periods of time shall be counted as periods of service for annuity purposes:

- (1) the time during which he performed the duties of his position;
- (2) leaves of absence with whole or part pay, and leaves of absence without pay not longer than 90 days;

(3) leaves of absence without pay that begin before the effective date of this amendatory Act of the 97th General Assembly and during which a participant is employed full-time by a local labor organization that represents municipal employees, provided that (A) the participant continues to make employee contributions to the Fund as though he were an active employee, based on the regular salary rate received by the participant for his municipal employment immediately prior to such leave of absence (and in the case of such employment prior to December 9, 1987, pays to the Fund an amount equal to the employee contributions for such employment plus regular interest thereon as calculated by the board), and based on his current salary with such labor organization after the effective date of this amendatory Act of 1991, (B) after January 1, 1989 the participant, or the labor organization on the participant's behalf, makes contributions to the Fund as though it were the employer, in the same amount and same manner as specified under this Article, based on the regular salary rate received by the participant for his municipal employment immediately prior to such leave of absence, and based on his current salary with such labor organization after the effective date of this amendatory Act of 1991, and (C) the participant does not receive credit in any pension plan established by the local labor organization based on his employment by the organization;

(4) any period of disability for which he received (i) a disability benefit under this Article, or (ii) a temporary total disability benefit under the Workers' Compensation Act if the disability results from a condition commonly termed heart attack or stroke or any other condition falling within the broad field of coronary involvement or heart disease, or (iii) whole or part pay.

(d) For a person employed by an employer, or the retirement board, in which "The 1935 Act" was in effect prior to August 1, 1949, from whose salary deductions are first made under "The 1935 Act" or this Article after July 31, 1949, any period of service rendered subsequent to the effective date and prior to

August 1, 1949, shall not be counted as a period of service under this Article, except such period for which he made payment, as provided in Section 11-221 of this Article, in which case such period shall be counted as a period of service for all annuity purposes hereunder.

(e) In computing the term of service of an employee subsequent to the day before the effective date for ordinary disability benefit purposes, the following periods of time shall be counted as periods of service:

(1) any period during which he performed the duties of his position;

(2) leaves of absence with whole or part pay;

(3) any period of disability for which he received (i) a duty disability benefit under this Article, or (ii) a temporary total disability benefit under the Workers' Compensation Act if the disability results from a condition commonly termed heart attack or stroke or any other condition falling within the broad field of coronary involvement or heart disease, or (iii) whole or part pay.

However, any period of service rendered by an employee contributor prior to the date he became a contributor to the fund shall not be counted as a period of service for ordinary disability purposes, unless the person made payment for the period as provided in Section 11-221 of this Article, in which case the period shall be counted as a period of service for ordinary disability purposes for periods of disability on or after the effective date of this amendatory Act of 1997.

Overtime or extra service shall not be included in computing any term of service. Not more than 1 year of service shall be allowed for service rendered during any calendar year.

For the purposes of this Section, the phrase "any pension plan established by the local labor organization" means any pension plan in which a participant may receive credit as a result of his or her membership in the local labor organization, including, but not limited to, the local labor organization itself and its affiliates at the local, intrastate, State, multi-state, national, or international level. The definition of this phrase is a declaration of existing law and shall not be construed as a new enactment.

(Source: P.A. 90-511, eff. 8-22-97.)

(40 ILCS 5/11-217) (from Ch. 108 1/2, par. 11-217)

Sec. 11-217. Basis of annual salary. For the purpose of this Article, the annual salary of an employee whose salary or wage is appropriated, fixed, or arranged in the annual appropriation ordinance upon other than an annual basis shall be determined as follows:

(a) If the employee is paid on a monthly basis, the annual salary is 12 times the monthly salary. If the employee is paid on a weekly basis, the annual salary is 52 times the weekly salary.

"Monthly salary" means the amount of compensation or salary appropriated and payable for a normal and regular month's work in the employee's position in the service. "Weekly salary" means the amount of compensation or salary appropriated and payable for a normal and regular week's work in the employee's position in the service. If the work is on a regularly scheduled part time basis, then "monthly salary" and "weekly salary" refer, respectively, to the part time monthly or weekly salary.

If the appropriation for the position is for a shorter period than 12 months a year, or 52 weeks a year if on a weekly basis, or the employee is in a class, grade, or category in which the employee normally works for fewer than 12 months or 52 weeks a year, then the basis shall be adjusted downward to the extent that the appropriated or customary work period is less than the normal 12 months or 52 weeks of service in a year.

Compensation for overtime, at regular or overtime rates, that is paid in addition to the appropriated regular and normal monthly or weekly salary shall not be considered.

(b) If the employee is paid on a daily basis, the annual salary is 260 times the daily wage. If the employee is paid on an hourly basis, the annual salary is 2080 times the hourly wage.

The norm is based on a 12-month per year, 5-day work week of 8 hours per day and 40 hours per week, with consideration given only to time compensated for at the straight time rate of compensation or wage. The norm shall be increased (subject to a maximum of 300 days or 2400 hours per year) or decreased for an employee to the extent that the normal and established work period, at the straight time compensation or wage for the position held in the class, grade, or category in which the employee is assigned, is for a greater or lesser number of months, weeks, days, or hours than the period on which the established norm is based.

"Daily wage" and "hourly wage" mean, respectively, the normal, regular, or basic straight time rate of compensation or wage appropriated and payable for a normal and regular day's work, or hour's work, in the employee's position in the service.

Any time worked in excess of the norm (or the increased or decreased norm, whichever is applicable) that is compensated for at overtime, premium, or other than regular or basic straight time rates shall not be considered as time worked, and the compensation for that work shall not be considered as salary or wage. Such time and compensation shall in every case and for all purposes be considered overtime and shall be excluded for all purposes under this Article. However, the straight time portion of compensation

or wage, for time worked on holidays that fall within an employee's established norm, shall be included for all purposes under this Article.

(c) For minimum annuity purposes under Section 11-134, where a salary rate change occurs during the year, it shall be considered that the annual salary for that year is (1) the annual equivalent of the monthly, weekly, daily, or hourly salary or wage rate that was applicable for the greater number of months, weeks, days, or hours (whichever is applicable) in the year under consideration, or (2) the annual equivalent of the average salary or wage rate in effect for the employee during the year, whichever is greater. The average salary or wage rate shall be calculated by multiplying each salary or wage rate in effect for the employee during the year by the number of months, weeks, days, or hours (whichever is applicable) during which that rate was in effect, and dividing the sum of the resulting products by the total number of months, weeks, days, or hours (whichever is applicable) worked by the employee during the year.

(d) The changes to subsection (c) made by this amendatory Act of 1997 apply to persons withdrawing from service on or after July 1, 1990 and for each such person are intended to be retroactive to the date upon which the affected annuity began. The Fund shall recompute the affected annuity and shall pay the additional amount due for the period before the increase resulting from this amendatory Act in a lump sum, without interest.

(e) This Article shall not be construed to authorize a salary paid by an entity other than an employer, as defined in Section 11-107, to be used to calculate the highest average annual salary of a participant. This subsection (e) is a declaration of existing law and shall not be construed as a new enactment.

(Source: P.A. 90-31, eff. 6-27-97.)

(40 ILCS 5/15-107) (from Ch. 108 1/2, par. 15-107)

Sec. 15-107. Employee.

(a) "Employee" means any member of the educational, administrative, secretarial, clerical, mechanical, labor or other staff of an employer whose employment is permanent and continuous or who is employed in a position in which services are expected to be rendered on a continuous basis for at least 4 months or one academic term, whichever is less, who (A) receives payment for personal services on a warrant issued pursuant to a payroll voucher certified by an employer and drawn by the State Comptroller upon the State Treasurer or by an employer upon trust, federal or other funds, or (B) is on a leave of absence without pay. Employment which is irregular, intermittent or temporary shall not be considered continuous for purposes of this paragraph.

However, a person is not an "employee" if he or she:

- (1) is a student enrolled in and regularly attending classes in a college or university which is an employer, and is employed on a temporary basis at less than full time;
- (2) is currently receiving a retirement annuity or a disability retirement annuity under Section 15-153.2 from this System;
- (3) is on a military leave of absence;
- (4) is eligible to participate in the Federal Civil Service Retirement System and is currently making contributions to that system based upon earnings paid by an employer;
- (5) is on leave of absence without pay for more than 60 days immediately following termination of disability benefits under this Article;
- (6) is hired after June 30, 1979 as a public service employment program participant under the Federal Comprehensive Employment and Training Act and receives earnings in whole or in part from funds provided under that Act; or
- (7) is employed on or after July 1, 1991 to perform services that are excluded by subdivision (a)(7)(f) or (a)(19) of Section 210 of the federal Social Security Act from the definition of employment given in that Section (42 U.S.C. 410).

(b) Any employer may, by filing a written notice with the board, exclude from the definition of "employee" all persons employed pursuant to a federally funded contract entered into after July 1, 1982 with a federal military department in a program providing training in military courses to federal military personnel on a military site owned by the United States Government, if this exclusion is not prohibited by the federally funded contract or federal laws or rules governing the administration of the contract.

(c) Any person appointed by the Governor under the Civil Administrative Code of the State is an employee, if he or she is a participant in this system on the effective date of the appointment.

(d) A participant on lay-off status under civil service rules is considered an employee for not more than 120 days from the date of the lay-off.

(e) A participant is considered an employee during (1) the first 60 days of disability leave, (2) the period, not to exceed one year, in which his or her eligibility for disability benefits is being considered by the board or reviewed by the courts, and (3) the period he or she receives disability benefits under the

provisions of Section 15-152, workers' compensation or occupational disease benefits, or disability income under an insurance contract financed wholly or partially by the employer.

(f) Absences without pay, other than formal leaves of absence, of less than 30 calendar days, are not considered as an interruption of a person's status as an employee. If such absences during any period of 12 months exceed 30 work days, the employee status of the person is considered as interrupted as of the 31st work day.

(g) A staff member whose employment contract requires services during an academic term is to be considered an employee during the summer and other vacation periods, unless he or she declines an employment contract for the succeeding academic term or his or her employment status is otherwise terminated, and he or she receives no earnings during these periods.

(h) An individual who was a participating employee employed in the fire department of the University of Illinois's Champaign-Urbana campus immediately prior to the elimination of that fire department and who immediately after the elimination of that fire department became employed by the fire department of the City of Urbana or the City of Champaign shall continue to be considered as an employee for purposes of this Article for so long as the individual remains employed as a firefighter by the City of Urbana or the City of Champaign. The individual shall cease to be considered an employee under this subsection (h) upon the first termination of the individual's employment as a firefighter by the City of Urbana or the City of Champaign.

(i) An individual who is employed on a full-time basis as an officer or employee of a statewide teacher organization that serves System participants or an officer of a national teacher organization that serves System participants may participate in the System and shall be deemed an employee, provided that (1) the individual has previously earned creditable service under this Article, (2) the individual files with the System an irrevocable election to become a participant, ~~and~~ (3) the individual does not receive credit for that employment under any other Article of this Code, and (4) the individual first became a full-time employee of the teacher organization and becomes a participant before the effective date of this amendatory Act of the 97th General Assembly. An employee under this subsection (i) is responsible for paying to the System both (A) employee contributions based on the actual compensation received for service with the teacher organization and (B) employer contributions equal to the normal costs (as defined in Section 15-155) resulting from that service; all or any part of these contributions may be paid on the employee's behalf or picked up for tax purposes (if authorized under federal law) by the teacher organization.

A person who is an employee as defined in this subsection (i) may establish service credit for similar employment prior to becoming an employee under this subsection by paying to the System for that employment the contributions specified in this subsection, plus interest at the effective rate from the date of service to the date of payment. However, credit shall not be granted under this subsection for any such prior employment for which the applicant received credit under any other provision of this Code, or during which the applicant was on a leave of absence under Section 15-113.2.

(j) A person employed by the State Board of Higher Education in a position with the Illinois Century Network as of June 30, 2004 shall be considered to be an employee for so long as he or she remains continuously employed after that date by the Department of Central Management Services in a position with the Illinois Century Network, the Bureau of Communication and Computer Services, or, if applicable, any successor bureau and meets the requirements of subsection (a).
(Source: P.A. 95-369, eff. 8-23-07.)

(40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

Sec. 16-106. Teacher. "Teacher": The following individuals, provided that, for employment prior to July 1, 1990, they are employed on a full-time basis, or if not full-time, on a permanent and continuous basis in a position in which services are expected to be rendered for at least one school term:

(1) Any educational, administrative, professional or other staff employed in the public common schools included within this system in a position requiring certification under the law governing the certification of teachers;

(2) Any educational, administrative, professional or other staff employed in any facility of the Department of Children and Family Services or the Department of Human Services, in a position requiring certification under the law governing the certification of teachers, and any person who (i) works in such a position for the Department of Corrections, (ii) was a member of this System on May 31, 1987, and (iii) did not elect to become a member of the State Employees' Retirement System pursuant to Section 14-108.2 of this Code; except that "teacher" does not include any person who (A) becomes a security employee of the Department of Human Services, as defined in Section 14-110, after June 28, 2001 (the effective date of Public Act 92-14), or (B) becomes a member of the State Employees' Retirement System pursuant to Section 14-108.2c of this Code;

(3) Any regional superintendent of schools, assistant regional superintendent of schools, State Superintendent of Education; any person employed by the State Board of Education as an executive; any executive of the boards engaged in the service of public common school education in school districts covered under this system of which the State Superintendent of Education is an ex-officio member;

(4) Any employee of a school board association operating in compliance with Article 23 of the School Code who is certificated under the law governing the certification of teachers;

(5) Any person employed by the retirement system who:

(i) was an employee of and a participant in the system on August 17, 2001 (the effective date of Public Act 92-416), or

(ii) becomes an employee of the system on or after August 17, 2001;

(6) Any educational, administrative, professional or other staff employed by and under the supervision and control of a regional superintendent of schools, provided such employment position requires the person to be certificated under the law governing the certification of teachers and is in an educational program serving 2 or more districts in accordance with a joint agreement authorized by the School Code or by federal legislation;

(7) Any educational, administrative, professional or other staff employed in an educational program serving 2 or more school districts in accordance with a joint agreement authorized by the School Code or by federal legislation and in a position requiring certification under the laws governing the certification of teachers;

(8) Any officer or employee of a statewide teacher organization or officer of a national teacher organization who is certified under the law governing certification of teachers, provided: (i) the individual had previously established creditable service under this Article, (ii) the individual files with the system an irrevocable election to become a member, ~~and~~ (iii) the individual does not receive credit for such service under any other Article of this Code, and (iv) the individual first became an officer or employee of the teacher organization and becomes a member before the effective date of this amendatory Act of the 97th General Assembly;

(9) Any educational, administrative, professional, or other staff employed in a charter school operating in compliance with the Charter Schools Law who is certificated under the law governing the certification of teachers.

(10) Any person employed, on the effective date of this amendatory Act of the 94th General Assembly, by the Macon-Piatt Regional Office of Education in a birth-through-age-three pilot program receiving funds under Section 2-389 of the School Code who is required by the Macon-Piatt Regional Office of Education to hold a teaching certificate, provided that the Macon-Piatt Regional Office of Education makes an election, within 6 months after the effective date of this amendatory Act of the 94th General Assembly, to have the person participate in the system. Any service established prior to the effective date of this amendatory Act of the 94th General Assembly for service as an employee of the Macon-Piatt Regional Office of Education in a birth-through-age-three pilot program receiving funds under Section 2-389 of the School Code shall be considered service as a teacher if employee and employer contributions have been received by the system and the system has not refunded those contributions.

An annuitant receiving a retirement annuity under this Article or under Article 17 of this Code who is employed by a board of education or other employer as permitted under Section 16-118 or 16-150.1 is not a "teacher" for purposes of this Article. A person who has received a single-sum retirement benefit under Section 16-136.4 of this Article is not a "teacher" for purposes of this Article.

~~A person who is a teacher as described in item (8) of this Section may establish service credit for similar employment prior to becoming certified as a teacher if he or she (i) is certified as a teacher on or before the effective date of this amendatory Act of the 94th General Assembly, (ii) applies in writing to the system within 6 months after the effective date of this amendatory Act of the 94th General Assembly, and (iii) pays to the system contributions equal to the normal costs calculated from the date of first full-time employment as described in item (8) to the date of payment, compounded annually at the rate of 8.5% per year for periods before the effective date of this amendatory Act of the 94th General Assembly and for subsequent periods at a rate equal to the System's actuarially assumed rate of return on investments. However, credit shall not be granted under this paragraph for any such prior employment for which the applicant received credit under any other provision of this Code.~~

(Source: P.A. 93-320, eff. 7-23-03; 94-1111, eff. 2-27-07.)

(40 ILCS 5/17-134) (from Ch. 108 1/2, par. 17-134)

Sec. 17-134. Contributions for leaves of absence; military service; computing service. In computing service for pension purposes the following periods of service shall stand in lieu of a like number of years

of teaching service upon payment therefor in the manner hereinafter provided: (a) time spent on a leave of absence granted by the employer; (b) service with teacher or labor organizations based upon special leaves of absence therefor granted by an Employer; (c) a maximum of 5 years spent in the military service of the United States, of which up to 2 years may have been served outside the pension period; (d) unused sick days at termination of service to a maximum of 244 days; (e) time lost due to layoff and curtailment of the school term from June 6 through June 21, 1976; and (f) time spent after June 30, 1982 as a member of the Board of Education, if required to resign from an administrative or teaching position in order to qualify as a member of the Board of Education.

(1) For time spent on or after September 6, 1948 on sabbatical leaves of absence or sick leaves, for which salaries are paid, an Employer shall make payroll deductions at the applicable rates in effect during such periods.

(2) For time spent on a leave of absence granted by the employer for which no salaries are paid, teachers desiring credit therefor shall pay the required contributions at the rates in effect during such periods as though they were in teaching service. If an Employer pays salary for vacations which occur during a teacher's sick leave or maternity or paternity leave without salary, vacation pay for which the teacher would have qualified while in active service shall be considered part of the teacher's total salary for pension purposes. No more than 36 months of leave credit may be allowed any person during the entire term of service. Sabbatical leave credit shall be limited to the time the person on leave without salary under an Employer's rules is allowed to engage in an activity for which he receives salary or compensation.

(3) For time spent prior to September 6, 1948, on sabbatical leaves of absence or sick leaves for which salaries were paid, teachers desiring service credit therefor shall pay the required contributions at the maximum applicable rates in effect during such periods.

(4) For service with teacher or labor organizations authorized by special leaves of absence, for which no payroll deductions are made by an Employer, teachers desiring service credit therefor shall contribute to the Fund upon the basis of the actual salary received from such organizations at the percentage rates in effect during such periods for certified positions with such Employer. To the extent the actual salary exceeds the regular salary, which shall be defined as the salary rate, as calculated by the Board, in effect for the teacher's regular position in teaching service on September 1, 1983 or on the effective date of the leave with the organization, whichever is later, the organization shall pay to the Fund the employer's normal cost as set by the Board on the increment. Notwithstanding any other provision of this subdivision (4), teachers are only eligible for credit for service under this subdivision (4) if the special leave of absence begins before the effective date of this amendatory Act of the 97th General Assembly.

(5) For time spent in the military service, teachers entitled to and desiring credit therefor shall contribute the amount required for each year of service or fraction thereof at the rates in force (a) at the date of appointment, or (b) on return to teaching service as a regularly certified teacher, as the case may be; provided such rates shall not be less than \$450 per year of service. These conditions shall apply unless an Employer elects to and does pay into the Fund the amount which would have been due from such person had he been employed as a teacher during such time. In the case of credit for military service not during the pension period, the teacher must also pay to the Fund an amount determined by the Board to be equal to the employer's normal cost of the benefits accrued from such service, plus interest thereon at 5% per year, compounded annually, from the date of appointment to the date of payment.

The changes to this Section made by Public Act 87-795 shall apply not only to persons who on or after its effective date are in service under the Fund, but also to persons whose status as a teacher terminated prior to that date, whether or not the person is an annuitant on that date. In the case of an annuitant who applies for credit allowable under this Section for a period of military service that did not immediately follow employment, and who has made the required contributions for such credit, the annuity shall be recalculated to include the additional service credit, with the increase taking effect on the date the Fund received written notification of the annuitant's intent to purchase the credit, if payment of all the required contributions is made within 60 days of such notice, or else on the first annuity payment date following the date of payment of the required contributions. In calculating the automatic annual increase for an annuity that has been recalculated under this Section, the increase attributable to the additional service allowable under this amendatory Act of 1991 shall be included in the calculation of automatic annual increases accruing after the effective date of the recalculation.

The total credit for military service shall not exceed 5 years, except that any teacher who on July 1, 1963, had validated credit for more than 5 years of military service shall be entitled to the total amount of such credit.

(6) A maximum of 244 unused sick days credited to his account by an Employer on the date of termination of employment. Members, upon verification of unused sick days, may add this service time to total creditable service.

(7) In all cases where time spent on leave is creditable and no payroll deductions therefor are made by an Employer, persons desiring service credit shall make the required contributions directly to the Fund.

(8) For time lost without pay due to layoff and curtailment of the school term from June 6 through June 21, 1976, as provided in item (e) of the first paragraph of this Section, persons who were contributors on the days immediately preceding such layoff shall receive credit upon paying to the Fund a contribution based on the rates of compensation and employee contributions in effect at the time of such layoff, together with an additional amount equal to 12.2% of the compensation computed for such period of layoff, plus interest on the entire amount at 5% per annum from January 1, 1978 to the date of payment. If such contribution is paid, salary for pension purposes for any year in which such a layoff occurred shall include the compensation recognized for purposes of computing that contribution.

(9) For time spent after June 30, 1982, as a nonsalaried member of the Board of Education, if required to resign from an administrative or teaching position in order to qualify as a member of the Board of Education, an administrator or teacher desiring credit therefor shall pay the required contributions at the rates and salaries in effect during such periods as though the member were in service.

Effective September 1, 1974, the interest charged for validation of service described in paragraphs (2) through (5) of this Section shall be compounded annually at a rate of 5% commencing one year after the termination of the leave or return to service.

(Source: P.A. 92-599, eff. 6-28-02.)

Section 97. Retroactive repeal. This amendatory Act of the 97th General Assembly hereby repeals and declares void ab initio the last paragraph of Section 16-106 of the Illinois Pension Code as contained in Public Act 94-1111 as that paragraph furnishes no vested rights because it violates multiple provisions of the 1970 Illinois Constitution, including, but not limited to, Article VIII, Section 1. Upon receipt of an application within 6 months after the effective date of this amendatory Act of the 97th General Assembly, the System shall immediately refund any contributions made by or on behalf of a person to receive service credit pursuant to the text set forth in Public Act 94-1111, as well as any amount determined by the Board to be equal to the investment earned by the System on those contributions since their receipt.

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

Senate Floor Amendment No. 2 was referred to the Committee on Assignments earlier today. There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Raoul, **House Bill No. 3815** having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1 TO HOUSE BILL 3815

AMENDMENT NO. 1. Amend House Bill 3815 on page 4, by replacing lines 5 through 8 with "period of service; and (v) for all leaves of absence under this subsection (c), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the police officer continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute."; and

on page 12, by replacing lines 19 through 22 with "board, and (iv) for all leaves of absence under this subdivision (3), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the firefighter continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute."; and

on page 16, by replacing lines 9 through 13, with "police department, the Public Vehicle License Commission and the board of election commissioners of the city, provided that, in each of these cases

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and for all periods specified in this item (b), including those beginning before the effective date of this amendatory Act of the 97th General Assembly, the police officer is on leave to special duty assignments and continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute."; and

by replacing line 24 on page 18 through line 1 on page 19 with "during which he served as an officer president of The Firemen's Association of Chicago, but only if the fireman first becomes a member of the fund before the effective date of this amendatory Act of the 97th General Assembly (nothing in this amendatory Act of the 97th General Assembly shall apply to a fireman who first becomes a member of the fund after the effective date of this amendatory Act of the 97th General Assembly who is on leave to special duty assignments, and who continues to remain in sworn status, subject to the professional standards of the public employer or those terms established in statute), (g) periods of suspension".

Senate Floor Amendment No. 2 was referred to the Committee on Assignments earlier today. There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Raoul, **House Bill No. 909** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Jacobs, **House Bill No. 1368** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Jacobs, **House Bill No. 1589** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

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

On motion of Senator Crotty, **House Bill No. 1602** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILL RECALLED

On motion of Senator Althoff, **House Bill No. 2558** was recalled from the order of third reading to the order of second reading.

Senator Althoff offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 2558

AMENDMENT NO. 2. Amend House Bill 2558, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 13, line 9 by changing "the court" to "a circuit judge"; and

on page 13, line 14 by changing "court" to "circuit judge"; and

on page 13, line 15 by changing "court" to "circuit judge"; and

on page 13, line 18 by changing "court" to "circuit judge".

The motion prevailed.

And the amendment was adopted and ordered printed.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Althoff, **House Bill No. 2558** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Harmon	Link	Rezin
Bivins	Holmes	Luechtefeld	Righter
Bomke	Hunter	Maloney	Sandack
Brady	Hutchinson	Martinez	Sandoval

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Clayborne	Jacobs	McCann	Schmidt
Collins, J.	Johnson, C.	McCarter	Schoenberg
Crotty	Johnson, T.	Meeks	Silverstein
Cultra	Jones, E.	Millner	Steans
Delgado	Jones, J.	Mulroe	Sullivan
Dillard	Koehler	Muñoz	Syverson
Duffy	Kotowski	Murphy	Trotter
Forby	LaHood	Noland	Wilhelmi
Frerichs	Landek	Pankau	Mr. President
Garrett	Lauzen	Radogno	
Haine	Lightford	Raoul	

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 in the Senate Amendments adopted thereto.

On motion of Senator Dillard, **House Bill No. 3292** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the title be as aforesaid, and that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Haine, **House Bill No. 3443** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

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

On motion of Senator Steans, **House Bill No. 3462** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 44; NAYS 14; Present 1.

The following voted in the affirmative:

Althoff	Harmon	Maloney	Schoenberg
Bomke	Holmes	Martinez	Silverstein
Brady	Hunter	Meeks	Steans
Clayborne	Hutchinson	Millner	Sullivan
Collins, A.	Jacobs	Mulroe	Syverson
Collins, J.	Johnson, C.	Muñoz	Trotter
Crotty	Jones, E.	Noland	Wilhelmi
Delgado	Koehler	Pankau	Mr. President
Forby	Kotowski	Raoul	
Frerichs	Landek	Sandack	
Garrett	Lightford	Sandoval	
Haine	Link	Schmidt	

The following voted in the negative:

Bivins	Jones, J.	McCann	Rezin
Cultra	LaHood	McCarter	Righter
Duffy	Lauzen	Murphy	
Johnson, T.	Luechtefeld	Radogno	

The following voted present:

Dillard

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

Ordered that the title be as aforesaid, and that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Lightford, **House Bill No. 605** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 2:45 o'clock p.m., Senator Harmon, presiding.

On motion of Senator Sullivan, **House Bill No. 1604**, having been printed as received from the House of Representatives, together with all Senate amendments adopted thereto, was taken up and read by title a third time.

Pending roll call, on motion of Senator Sullivan, further consideration of **House Bill No. 1604** was postponed.

HOUSE BILL RECALLED

On motion of Senator Link, **House Bill No. 1262** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 3 was withdrawn by the sponsor.

Senate Floor Amendment No. 4 was held in the Committee on Assignments.

Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 5 TO HOUSE BILL 1262

AMENDMENT NO. 5. Amend House Bill 1262, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. If and only if Senate Bill 1849 of the 97th General Assembly becomes law in its enrolled form, the Riverboat Gambling Act is amended by changing Section 2 and by adding Section 13.2 as follows:

(230 ILCS 10/2) (from Ch. 120, par. 2402)

Sec. 2. Legislative Intent.

(a) This Act is intended to benefit the people of the State of Illinois by assisting economic development, ~~and~~ promoting Illinois tourism ~~and~~ agriculture, ~~assisting~~ conservation ~~and~~ forestry programs, ~~funding~~ programs that assist the people of the State of Illinois during difficult economic

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conditions, and by increasing the amount of revenues available to the State to assist and support education, and by supporting programs that enhance the beauty of the State and its parks, rivers, forest preserves, and botanic gardens.

(b) While authorization of riverboat gambling will enhance investment, beautification, development and tourism in Illinois, it is recognized that it will do so successfully only if public confidence and trust in the credibility and integrity of the gambling operations and the regulatory process is maintained. Therefore, regulatory provisions of this Act are designed to strictly regulate the facilities, persons, associations and practices related to gambling operations pursuant to the police powers of the State, including comprehensive law enforcement supervision.

(c) The Illinois Gaming Board established under this Act should, as soon as possible, inform each applicant for an owners license of the Board's intent to grant or deny a license.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/13.2 new)

Sec. 13.2. Wagering tax; additional distributions.

(a) Beginning on the effective date of this amendatory Act of the 97th General Assembly, from the tax revenue deposited in the State Gaming Fund under Section 13, \$150,000 shall be paid annually to a county forest preserve district for the maintenance of a botanic garden that was created by Section 43 of the Cook County Forest Preserve District Act.

(b) Beginning on the effective date of this amendatory Act of the 97th General Assembly, from the tax revenue deposited in the State Gaming Fund from electronic gaming under Section 13, (i) \$10,000,000 shall be deposited annually into the Partners for Conservation Fund for grants to soil and water conservation districts, (ii) \$1,000,000 shall be deposited annually into the Illinois Forestry Development Fund for costs associated with the CREP Forestry Assistance Program, (iii) \$2,500,000 shall be deposited annually into the Illinois Historic Sites Fund for costs associated with the State's historic sites, (iv) \$2,500,000 shall be deposited annually into the Park and Conservation Fund for costs associated with the State's state parks, and (v) \$4,000,000 shall be deposited annually into the State Cooperative Service Trust Fund for grants to the State's cooperative extensions. Deposits made pursuant to this subsection (b) shall supplement, and not supplant, other State funding for these purposes.

(c) Beginning on the effective date of this amendatory Act of the 97th General Assembly and ending July 1, 2014, from the tax revenue deposited in the State Gaming Fund under Section 13, \$2,000,000 shall be deposited annually into the Foreclosure Prevention Program Fund."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Link, **House Bill No. 1262** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

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

YEAS 31; NAYS 19; Present 2.

The following voted in the affirmative:

Bomke	Hunter	Martinez	Schmidt
Collins, A.	Hutchinson	Mulroe	Silverstein
Crotty	Jones, E.	Muñoz	Sullivan
Delgado	Koehler	Murphy	Syverson
Forby	Landek	Noland	Trotter
Frerichs	Lightford	Pankau	Wilhelmi
Haine	Link	Raoul	Mr. President
Harmon	Maloney	Sandoval	

The following voted in the negative:

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Althoff	Garrett	LaHood	Radogno
Bivins	Holmes	Lauzen	Righter
Clayborne	Johnson, C.	McCarter	Sandack
Cultra	Johnson, T.	Meeks	Schoenberg
Duffy	Jones, J.	Millner	

The following voted present:

Brady
Steans

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 title be as aforesaid, and that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

Senator Wilhelmi asked and obtained unanimous consent for the Journal to reflect his intention to have voted in the negative on **House Bill No. 1262**.

REPORT FROM STANDING COMMITTEE

Senator Muñoz, Chairperson of the Committee on Executive Appointments, moved that the Senate resolve itself into Executive Session to consider the report of that Committee relative to the appointment messages.

The motion prevailed.

EXECUTIVE SESSION

Senator Muñoz, Chairperson of the Committee on Executive Appointments, to which was referred Appointment Message 128, reported the same back with the recommendation that the Senate advise and consent to the following appointment:

Appointment Message No. 128

Title of Office: Member and Chair

Agency or Other Body: Illinois State Board of Education

Start Date: June 7, 2011

End Date: January 14, 2015

Name: Gery J. Chico

Residence: 310 S. Michigan Ave., Chicago, IL 60604

Annual Compensation: Expenses

Per diem: Not Applicable

Nominee's Senator: Senator Kwame Raoul

Most Recent Holder of Office: Jesse H. Ruiz

Superseded Appointment Message: Not Applicable

Senator Muñoz moved that the Senate advise and consent to the foregoing appointment. And on that motion, a call of the roll was had resulting as follows:

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YEAS 51; NAYS 6; Present 1.

The following voted in the affirmative:

Althoff	Haine	Link	Rezin
Bomke	Harmon	Luechtefeld	Sandack
Brady	Holmes	Maloney	Sandoval
Clayborne	Hunter	Martinez	Schmidt
Collins, A.	Hutchinson	Meeks	Schoenberg
Collins, J.	Jacobs	Millner	Silverstein
Crotty	Johnson, T.	Mulroe	Steans
Cultra	Jones, E.	Muñoz	Sullivan
Delgado	Koehler	Murphy	Syverson
Dillard	Kotowski	Noland	Trotter
Forby	LaHood	Pankau	Wilhelmi
Frerichs	Landek	Radogno	Mr. President
Garrett	Lightford	Raoul	

The following voted in the negative:

Bivins	Jones, J.	McCann
Johnson, C.	Lauzen	McCarter

The following voted present:

Duffy

The motion prevailed.

Whereupon the President of the Senate announced confirmation of the foregoing appointment.

Senator Lauzen asked and obtained unanimous consent for the Journal to reflect his intention to have voted in the affirmative on **Appointment Message No. 128**.

Senator Muñoz, Chairperson of the Committee on Executive Appointments, to which was referred Appointment Message 167, reported the same back with the recommendation that the Senate advise and consent to the following appointment:

Appointment Message No. 167

Title of Office: Member

Agency or Other Body: Illinois Pollution Control Board

Start Date: September 12, 2011

End Date: July 1, 2014

Name: Jennifer A. Burke

Residence: 1217 W. Lexington St., Chicago, IL 60607

Annual Compensation: \$117,043

Per diem: Not Applicable

Nominee's Senator: Senator Annazette R. Collins

Most Recent Holder of Office: Gary Blankenship

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Superseded Appointment Message: Not Applicable

Senator Muñoz moved that the Senate advise and consent to the foregoing appointment. And on that motion, a call of the roll was had resulting as follows:

YEAS 43; NAYS 11; Present 1.

The following voted in the affirmative:

Althoff	Harmon	Lightford	Raoul
Bomke	Holmes	Link	Sandoval
Clayborne	Hunter	Maloney	Schmidt
Collins, J.	Hutchinson	Martinez	Schoenberg
Crotty	Jacobs	Meeks	Silverstein
Delgado	Johnson, T.	Millner	Steans
Dillard	Jones, E.	Mulroe	Sullivan
Forby	Koehler	Muñoz	Trotter
Frerichs	Kotowski	Noland	Wilhelmi
Garrett	LaHood	Pankau	Mr. President
Haine	Laufen	Radogno	

The following voted in the negative:

Bivins	Johnson, C.	McCarter	Sandack
Cultra	Jones, J.	Murphy	Syverson
Duffy	McCann	Righter	

The following voted present:

Rezin

The motion prevailed.

Whereupon the President of the Senate announced confirmation of the foregoing appointment.

On motion of Senator Muñoz, the Executive Session arose and the Senate resumed consideration of business.

Senator Harmon, presiding.

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 442

Offered by Senator J. Collins and all Senators:

Mourns the death of Dr. William Eric "Doc" Perkins.

SENATE RESOLUTION NO. 443

Offered by Senator Link and all Senators:

Mourns the death of Donald R. Herson of Stephenson, Michigan, formerly of North Chicago.

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

MOTION IN WRITING

Senator J. Jones submitted the following Motion in Writing:

I move that House Bill 3178 do pass, notwithstanding the veto of the Governor.

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11/9/11
DATE

s/John O. Jones
SENATOR

The foregoing Motion in Writing was filed with the Secretary and ordered placed on the Senate Calendar.

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 72

A bill for AN ACT concerning insurance.

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

House Amendment No. 4 to SENATE BILL NO. 72

House Amendment No. 5 to SENATE BILL NO. 72

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 4 TO SENATE BILL 72

AMENDMENT NO. 4. Amend Senate Bill 72 by replacing everything after the enacting clause with the following:

"Section 5. The Public Employment Office Act is amended by changing Section 1 as follows:

(20 ILCS 1015/1) (from Ch. 48, par. 173)

Sec. 1. Public employment offices; establishment. The Department of Employment Security is authorized to establish and maintain ~~State public~~ employment offices as ~~provided in Section 1705 of the Unemployment Insurance Act~~; for the purpose of receiving applications of persons seeking employment and applications of persons seeking to employ labor, ~~as follows: One in each city, village or incorporated town of not less than twenty five thousand population; one in two or more contiguous cities, villages or incorporated towns having an aggregate or combined population of not less than twenty five thousand; and in each city containing a population of one million or over, one central office with as many departments as would be practical to handle the various classes of labor, and such branch offices not to exceed five at any one time, the location of branch offices to be approved by the Governor. Those offices shall be designated and known as Illinois Public Employment Offices.~~

(Source: P.A. 90-372, eff. 7-1-98.)

Section 10. The Illinois Unemployment Insurance Trust Fund Financing Act is amended by changing Sections 3, 4, and 7 as follows:

(30 ILCS 440/3)

Sec. 3. Definitions. For purposes of this Act:

A. "Act" shall mean the Illinois Unemployment Insurance Trust Fund Financing Act.

B. "Benefits" shall have the meaning provided in the Unemployment Insurance Act.

C. "Bond" means any type of revenue obligation, including, without limitation, fixed rate, variable rate, auction rate or similar bond, note, certificate, or other instrument, including, without limitation, an interest rate exchange agreement, an interest rate lock agreement, a currency exchange agreement, a forward payment conversion agreement, an agreement to provide payments based on levels of or changes in interest rates or currency exchange rates, an agreement to exchange cash flows or a series of payments, an option, put, or call to hedge payment, currency, interest rate, or other exposure, payable from and secured by a pledge of Fund Building Receipts collected pursuant to the Unemployment Insurance Act, and all interest and other earnings upon such amounts held in the Master Bond Fund, to the extent provided in the proceedings authorizing the obligation.

D. "Bond Administrative Expenses" means expenses and fees incurred to administer and issue, upon a conversion of any of the Bonds from one mode to another and from taxable to tax-exempt, the Bonds issued pursuant to this Act, including fees for paying agents, trustees, financial advisors, underwriters,

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remarketing agents, attorneys and for other professional services necessary to ensure compliance with applicable state or federal law.

E. "Bond Obligations" means the principal of a Bond and any premium and interest on a Bond issued pursuant to this Act, together with any amount owed under a related Credit Agreement.

F. "Credit Agreement" means, without limitation, a loan agreement, a revolving credit agreement, an agreement establishing a line of credit, a letter of credit, notes, municipal bond insurance, standby bond purchase agreements, surety bonds, remarketing agreements and the like, by which the Department may borrow funds to pay or redeem or purchase and hold its bonds, agreements for the purchase or remarketing of bonds or any other agreement that enhances the marketability, security, or creditworthiness of a Bond issued under this Act.

1. Such Credit Agreement shall provide the following:

a. The choice of law for the obligations of a financial provider may be made for any state of these United States, but the law which shall apply to the Bonds shall be the law of the State of Illinois, and jurisdiction to enforce such Credit Agreement as against the Department shall be exclusively in the courts of the State of Illinois or in the applicable federal court having jurisdiction and located within the State of Illinois.

b. Any such Credit Agreement shall be fully enforceable as a valid and binding contract as and to the extent provided by applicable law.

2. Without limiting the foregoing, such Credit Agreement, may include any of the following:

a. Interest rates on the Bonds may vary from time to time depending upon criteria established by the Director, which may include, without limitation:

- (i) A variation in interest rates as may be necessary to cause the Bonds to be remarketed from time to time at a price equal to their principal amount plus any accrued interest;
- (ii) Rates set by auctions; or
- (iii) Rates set by formula.

b. A national banking association, bank, trust company, investment banker or other financial institution may be appointed to serve as a remarketing agent in that connection, and such remarketing agent may be delegated authority by the Department to determine interest rates in accordance with criteria established by the Department.

c. Alternative interest rates or provisions may apply during such times as the Bonds are held by the financial providers or similar persons or entities providing a Credit Agreement for those Bonds and, during such times, the interest on the Bonds may be deemed not exempt from income taxation under the Internal Revenue Code for purposes of State law, as contained in the Bond Authorization Act, relating to the permissible rate of interest to be borne thereon.

d. Fees may be paid to the financial providers or similar persons or entities providing a Credit Agreement, including all reasonably related costs, including therein costs of enforcement and litigation (all such fees and costs being financial provider payments) and financial provider payments may be paid, without limitation, from proceeds of the Bonds being the subject of such agreements, or from Bonds issued to refund such Bonds, provided that such financial provider payments shall be made subordinate to the payments on the Bonds.

e. The Bonds need not be held in physical form by the financial providers or similar persons or entities providing a Credit Agreement when providing funds to purchase or carry the Bonds from others but may be represented in uncertificated form in the Credit Agreement.

f. The debt or obligation of the Department represented by a Bond tendered for purchase to or otherwise made available to the Department thereupon acquired by either the Department or a financial provider shall not be deemed to be extinguished for purposes of State law until cancelled by the Department or its agent.

g. Such Credit Agreement may provide for acceleration of the principal amounts due on the Bonds.

G. "Department" means the Illinois Department of Employment Security.

H. "Director" means the Director of the Illinois Department of Employment Security.

I. "Fund Building Rates" are those rates imposed pursuant to Section 1506.3 of the Unemployment Insurance Act.

J. "Fund Building Receipts" shall have the meaning provided in the Unemployment Insurance Act and includes earnings on such receipts.

K. "Master Bond Fund" shall mean, for any particular issuance of Bonds under this Act, the fund established for the deposit of Fund Building Receipts upon or prior to the issuance of Bonds under this Act, and during the time that any Bonds are outstanding under this Act and from which the payment of

Bond Obligations and the related Bond Administrative Expenses incurred in connection with such Bonds shall be made. That portion of the Master Bond Fund containing the Required Fund Building Receipts Amount shall be irrevocably pledged to the timely payment of Bond Obligations and Bond Administrative Expenses due on any Bonds issued pursuant to this Act and any Credit Agreement entered in connection with the Bonds. The Master Bond Fund shall be held separate and apart from all other State funds. Moneys in the Master Bond Fund shall not be commingled with other State funds, but they shall be deposited as required by law and maintained in a separate account on the books of a savings and loan association, bank or other qualified financial institution. All interest earnings on amounts within the Master Bond Fund shall accrue to the Master Bond Fund. The Master Bond Fund may include such funds and accounts as are necessary for the deposit of bond proceeds, Fund Building Receipts, payment of principal, interest, administrative expenses, costs of issuance, in the case of bonds which are exempt from Federal taxation, rebate payments, and such other funds and accounts which may be necessary for the implementation and administration of this Act. The Director shall be liable on her or his general official bond for the faithful performance of her or his duties as custodian of the Master Bond Fund. Such liability on her or his official bond shall exist in addition to the liability upon any separate bond given by her or him. All sums recovered for losses sustained by the Master Bond Fund shall be deposited into the Fund.

The Director shall report quarterly in writing to the Employment Security Advisory Board concerning the actual and anticipated deposits into and expenditures and transfers made from the Master Bond Fund. Notwithstanding any other provision to the contrary, no report is required under this subsection K if (i) the Master Bond Fund held a net balance of zero as of the close of the immediately preceding calendar quarter, (ii) there have been no deposits into the Master Bond Fund within any of the immediately preceding 4 calendar quarters, and (iii) there have been no expenditures or transfers from the Master Bond Fund within any of the immediately preceding 4 calendar quarters.

L. "Required Fund Building Receipts Amount" means the aggregate amount of Fund Building Receipts required to be maintained in the Master Bond Fund as set forth in Section 4I of this Act. (Source: P.A. 93-634, eff. 1-1-04; 94-1083, eff. 1-19-07.)

(30 ILCS 440/4)

Sec. 4. Authority to Issue Revenue Bonds.

A. The Department shall have the continuing power to borrow money for the purpose of carrying out the following:

1. To reduce or avoid the need to borrow or obtain a federal advance under Section 1201, et seq., of the Social Security Act (42 U.S.C. Section 1321), as amended, or any similar federal law; or
2. To refinance a previous advance received by the Department with respect to the payment of Benefits; or
3. To refinance, purchase, redeem, refund, advance refund or defease (including, any combination of the foregoing) any outstanding Bonds issued pursuant to this Act; or
4. To fund a surplus in Illinois' account in the Unemployment Trust Fund of the United States Treasury.

Paragraphs 1, 2 and 4 are inoperative on and after January 1, 2022 2013.

B. As evidence of the obligation of the Department to repay money borrowed for the purposes set forth in Section 4A above, the Department may issue and dispose of its interest bearing revenue Bonds and may also, from time-to-time, issue and dispose of its interest bearing revenue Bonds to purchase, redeem, refund, advance refund or defease (including, any combination of the foregoing) any Bonds at maturity or pursuant to redemption provisions or at any time before maturity. The Director, in consultation with the Department's Employment Security Advisory Board, shall have the power to direct that the Bonds be issued. Bonds may be issued in one or more series and under terms and conditions as needed in furtherance of the purposes of this Act. The Illinois Finance Authority shall provide any technical, legal, or administrative services if and when requested by the Director and the Employment Security Advisory Board with regard to the issuance of Bonds. The Governor's Office of Management and Budget may, upon the written request of the Director, issue the bonds authorized pursuant to this Act on behalf of the Department and, for that purpose, may retain such underwriters, financial advisors, and counsel as may be appropriate from the Office's then-existing roster of prequalified vendors. Such Bonds shall be issued in the name of the State of Illinois for the benefit of the Department and shall be executed by the Director. In case any Director whose signature appears on any Bond ceases (after attaching his or her signature) to hold that office, her or his signature shall nevertheless be valid and effective for all purposes.

C. No Bonds shall be issued without the Director's written certification that, based upon a reasonable financial analysis, the issuance of Bonds is reasonably expected to:

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(i) Result in a savings to the State as compared to the cost of borrowing or obtaining an advance under Section 1201, et seq., Social Security Act (42 U.S.C. Section 1321), as amended, or any similar federal law;

(ii) Result in terms which are advantageous to the State through refunding, advance refunding or other similar restructuring of outstanding Bonds; ~~or~~

(iii) Allow the State to avoid an anticipated deficiency in the State's account in the Unemployment Trust Fund of the United States Treasury by funding a surplus in the State's account in the Unemployment Trust Fund of the United States Treasury; or -

(iv) Prevent the reduction of the employer credit provided under Section 3302 of the Federal Unemployment Tax Act with respect to employers subject to the Unemployment Insurance Act.

D. All such Bonds shall be payable from Fund Building Receipts. Bonds may also be paid from (i) to the extent allowable by law, from monies in the State's account in the Unemployment Trust Fund of the United States Treasury; and (ii) to the extent allowable by law, a federal advance under Section 1201, et seq., of the Social Security Act (42 U.S.C. Section 1321); and (iii) proceeds of Bonds and receipts from related credit and exchange agreements to the extent allowed by this Act and applicable legal requirements.

E. The maximum principal amount of the Bonds, when combined with the outstanding principal of all other Bonds issued pursuant to this Act, shall not at any time exceed ~~\$2,400,000,000~~ ~~\$1,400,000,000~~, excluding all of the outstanding principal of any other Bonds issued pursuant to this Act for which payment has been irrevocably provided by refunding or other manner of defeasance. It is the intent of this Act that the outstanding Bond authorization limits provided for in this Section 4E shall be revolving in nature, such that the amount of Bonds outstanding that are not refunded or otherwise defeased shall be included in determining the maximum amount of Bonds authorized to be issued pursuant to the Act.

F. Such Bonds and refunding Bonds issued pursuant to this Act may bear such date or dates, may mature at such time or times not exceeding 10 years from their respective dates of issuance, and may bear interest at such rate or rates not exceeding the maximum rate authorized by the Bond Authorization Act, as amended and in effect at the time of the issuance of the Bonds.

G. The Department may enter into a Credit Agreement pertaining to the issuance of the Bonds, upon terms which are not inconsistent with this Act and any other laws, provided that the term of such Credit Agreement shall not exceed the term of the Bonds, plus any time period necessary to cure any defaults under such Credit Agreement.

H. Interest earnings paid to holders of the Bonds shall not be exempt from income taxes imposed by the State.

I. While any Bond Obligations are outstanding or anticipated to come due as a result of Bonds expected to be issued in either or both of the 2 immediately succeeding calendar quarters, the Department shall collect and deposit Fund Building Receipts into the Master Bond Fund in an amount necessary to satisfy the Required Fund Building Receipts Amount prior to expending Fund Building Receipts for any other purpose. The Required Fund Building Receipts Amount shall be that amount necessary to ensure the marketability of the Bonds, which shall be specified in the Bond Sale Order executed by the Director in connection with the issuance of the Bonds.

J. Holders of the Bonds shall have a first and priority claim on all Fund Building Receipts in the Master Bond Fund in parity with all other holders of the Bonds, provided that such claim may be subordinated to the provider of any Credit Agreement for any of the Bonds.

K. To the extent that Fund Building Receipts in the Master Bond Fund are not otherwise needed to satisfy the requirements of this Act and the instruments authorizing the issuance of the Bonds, such monies shall be used by the Department, in such amounts as determined by the Director to do any one or a combination of the following:

1. To purchase, refinance, redeem, refund, advance refund or defease (or any combination of the foregoing) outstanding Bonds, to the extent such action is legally available and does not impair the tax exempt status of any of the Bonds which are, in fact, exempt from Federal income taxation; or
2. As a deposit in the State's account in the Unemployment Trust Fund of the United States Treasury; or
3. As a deposit into the Special Programs Fund provided for under Section 2107 of the Unemployment Insurance Act.

L. The Director shall determine the method of sale, type of bond, bond form, redemption provisions and other terms of the Bonds that, in the Director's judgment, best achieve the purposes of this Act and effect the borrowing at the lowest practicable cost, provided that those determinations are not inconsistent with this Act or other applicable legal requirements. Those determinations shall be set forth in a document entitled "Bond Sale Order" acceptable, in form and substance, to the attorney or attorneys

acting as bond counsel for the Bonds in connection with the rendering of opinions necessary for the issuance of the Bonds and executed by the Director.

(Source: P.A. 96-30, eff. 6-30-09.)

(30 ILCS 440/7)

Sec. 7. State Not to Impair Bond Obligations. While Bonds under this Act are outstanding, the State irrevocably pledges and covenants that it shall not:

A. Take action to limit or restrict the rights of the Department to fulfill its responsibilities to pay Bond Obligations, Bond Administrative Expenses or otherwise comply with instruments entered by the Department pertaining to the issuance of the Bonds;

B. In any way impair the rights and remedies of the holders of the Bonds until the Bonds are fully discharged; or

C. Reduce:

1. The Fund Building Rates below the levels in existence effective January 1, ~~2012~~ 2004;

2. The maximum amount includable as wages pursuant to Section 235 of the Unemployment Insurance Act below the levels in existence effective January 1, ~~2012~~ 2004; and

3. The Solvency Adjustments imposed pursuant to Section 1400.1 of the Unemployment Insurance Act below the levels in existence effective January 1, ~~2012~~ 2004.

(Source: P.A. 93-634, eff. 1-1-04.)

Section 15. The Unemployment Insurance Act is amended by changing Sections 235, 401, 403, 702, 804, 900, 1505, 1506.1, and 1506.3, 1510, 1705, 1801.1, 1900, 2100, 2203, and 2206.1 and by adding Sections 611.1, 1506.6, and 2405 as follows:

(820 ILCS 405/235) (from Ch. 48, par. 345)

Sec. 235. The term "wages" does not include:

A. With respect to calendar years prior to calendar year 2004, the maximum amount includable as "wages" shall be determined pursuant to this Section as in effect on January 1, 2006.

With respect to the calendar year 2004, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed \$9,800. With respect to the calendar years 2005 through 2009, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed the following amounts: \$10,500 with respect to the calendar year 2005; \$11,000 with respect to the calendar year 2006; \$11,500 with respect to the calendar year 2007; \$12,000 with respect to the calendar year 2008; and \$12,300 with respect to the calendar year 2009.

~~With Except as otherwise provided in subsection A-1, with respect to the calendar years 2010, 2011, 2020 2013, and each calendar year thereafter, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed the sum of the wage base adjustment applicable to that year pursuant to Section 1400.1, plus the maximum amount includable as "wages" pursuant to this subsection with respect to the immediately preceding calendar year; for purposes of this sentence, the maximum amount includable as "wages" with respect to calendar year 2013 shall be calculated as though the maximum amount includable as "wages" with respect to calendar year 2012 had been calculated pursuant to this sentence.~~ With respect to calendar year 2012, to offset the loss of revenue to the State's account in the unemployment trust fund with respect to the first quarter of calendar year 2011 as a result of Section 1506.5 and the changes made by this amendatory Act of the 97th General Assembly to Section 1506.3, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed \$13,560. Except as otherwise provided in subsection A-1, with respect to calendar year 2013, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed \$12,900. With respect to the calendar years 2014 through 2019, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed \$12,960. Notwithstanding any provision to the contrary, the maximum amount includable as "wages" pursuant to this Section shall not be less than \$12,300 or greater than \$12,960 with respect to any calendar year after calendar year 2009 except calendar year 2012 and except as otherwise provided in subsection A-1.

The remuneration paid to an individual by an employer with respect to employment in another State or States, upon which contributions were required of such employer under an unemployment compensation law of such other State or States, shall be included as a part of the remuneration herein referred to. For the purposes of this subsection, any employing unit which succeeds to the organization, trade, or business, or to substantially all of the assets of another employing unit, or to the organization, trade, or

business, or to substantially all of the assets of a distinct severable portion of another employing unit, shall be treated as a single unit with its predecessor for the calendar year in which such succession occurs; any employing unit which is owned or controlled by the same interests which own or control another employing unit shall be treated as a single unit with the unit so owned or controlled by such interests for any calendar year throughout which such ownership or control exists; and, with respect to any trade or business transfer subject to subsection A of Section 1507.1, a transferee, as defined in subsection G of Section 1507.1, shall be treated as a single unit with the transferor, as defined in subsection G of Section 1507.1, for the calendar year in which the transfer occurs. This subsection applies only to Sections 1400, 1405A, and 1500.

A-1. If, by March 1, 2013, the payments attributable to the changes to subsection A by this or any subsequent amendatory Act of the 97th General Assembly do not equal or exceed the loss to this State's account in the unemployment trust fund as a result of Section 1506.5 and the changes made to Section 1506.3 by this or any subsequent amendatory Act of the 97th General Assembly, including unrealized interest, then, with respect to calendar year 2013, the term "wages" shall include only the remuneration paid to an individual by an employer during that period with respect to employment which does not exceed \$13,560. ~~For purposes of subsection A, if the maximum amount includable as "wages" with respect to calendar year 2013 is \$13,560, the maximum amount includable as "wages" with respect to calendar year 2014 shall be calculated as though the maximum amount includable as "wages" with respect to calendar year 2013 had been calculated pursuant to subsection A, without regard to this Section.~~

B. The amount of any payment (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), made to, or on behalf of, an individual or any of his dependents under a plan or system established by an employer which makes provision generally for individuals performing services for him (or for such individuals generally and their dependents) or for a class or classes of such individuals (or for a class or classes of such individuals and their dependents), on account of (1) sickness or accident disability (except those sickness or accident disability payments which would be includable as "wages" in Section 3306(b)(2)(A) of the Federal Internal Revenue Code of 1954, in effect on January 1, 1985, such includable payments to be attributable in such manner as provided by Section 3306(b) of the Federal Internal Revenue Code of 1954, in effect on January 1, 1985), or (2) medical or hospitalization expenses in connection with sickness or accident disability, or (3) death.

C. Any payment made to, or on behalf of, an employee or his beneficiary which would be excluded from "wages" by subparagraph (A), (B), (C), (D), (E), (F) or (G), of Section 3306(b)(5) of the Federal Internal Revenue Code of 1954, in effect on January 1, 1985.

D. The amount of any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer to, or on behalf of, an individual performing services for him after the expiration of six calendar months following the last calendar month in which the individual performed services for such employer.

E. Remuneration paid in any medium other than cash by an employing unit to an individual for service in agricultural labor as defined in Section 214.

F. The amount of any supplemental payment made by an employer to an individual performing services for him, other than remuneration for services performed, under a shared work plan approved by the Director pursuant to Section 407.1.

(Source: P.A. 97-1, eff. 3-31-11.)

(820 ILCS 405/401) (from Ch. 48, par. 401)

Sec. 401. Weekly Benefit Amount - Dependents' Allowances.

A. With respect to any week beginning prior to April 24, 1983, an individual's weekly benefit amount shall be an amount equal to the weekly benefit amount as defined in this Act as in effect on November 30, 1982.

B. 1. With respect to any week beginning on or after April 24, 1983 and before January 3, 1988, an individual's weekly benefit amount shall be 48% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount, and cannot be less than 15% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar. However, the weekly benefit amount for an individual who has established a benefit year beginning before April 24, 1983, shall be determined, for weeks beginning on or after April 24, 1983 claimed with respect to that benefit year, as provided under this Act as in effect on November 30, 1982. With respect to any week beginning on or after January 3, 1988 and before January 1, 1993, an individual's weekly benefit amount shall be 49% of his prior average weekly wage, rounded (if not

already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount, and cannot be less than \$51. With respect to any week beginning on or after January 3, 1993 and during a benefit year beginning before January 4, 2004, an individual's weekly benefit amount shall be 49.5% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than \$51. With respect to any benefit year beginning on or after January 4, 2004 and before January 6, 2008, an individual's weekly benefit amount shall be 48% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than \$51. Except as otherwise provided in this Section, with respect to any benefit year beginning on or after January 6, 2008, an individual's weekly benefit amount shall be 47% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than \$51. With respect to any benefit year beginning in calendar year 2016, an individual's weekly benefit amount shall be 42.8% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than \$51. With respect to any benefit year beginning in calendar year 2018, an individual's weekly benefit amount shall be 42.9% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than \$51.

2. For the purposes of this subsection:

With respect to any week beginning on or after April 24, 1983, an individual's "prior average weekly wage" means the total wages for insured work paid to that individual during the 2 calendar quarters of his base period in which such total wages were highest, divided by 26. If the quotient is not already a multiple of one dollar, it shall be rounded to the nearest dollar; however if the quotient is equally near 2 multiples of one dollar, it shall be rounded to the higher multiple of one dollar.

"Determination date" means June 1, 1982, December 1, 1982 and December 1 of each succeeding calendar year thereafter. However, if as of June 30, 1982, or any June 30 thereafter, the net amount standing to the credit of this State's account in the unemployment trust fund (less all outstanding advances to that account, including advances pursuant to Title XII of the federal Social Security Act) is greater than \$100,000,000, "determination date" shall mean December 1 of that year and June 1 of the succeeding year. Notwithstanding the preceding sentence, for the purposes of this Act only, there shall be no June 1 determination date in any year after 1986.

"Determination period" means, with respect to each June 1 determination date, the 12 consecutive calendar months ending on the immediately preceding December 31 and, with respect to each December 1 determination date, the 12 consecutive calendar months ending on the immediately preceding June 30.

"Benefit period" means the 12 consecutive calendar month period beginning on the first day of the first calendar month immediately following a determination date, except that, with respect to any calendar year in which there is a June 1 determination date, "benefit period" shall mean the 6 consecutive calendar month period beginning on the first day of the first calendar month immediately following the preceding December 1 determination date and the 6 consecutive calendar month period beginning on the first day of the first calendar month immediately following the June 1 determination date. Notwithstanding the foregoing sentence, the 6 calendar months beginning January 1, 1982 and ending June 30, 1982 shall be deemed a benefit period with respect to which the determination date shall be June 1, 1981.

"Gross wages" means all the wages paid to individuals during the determination period immediately preceding a determination date for insured work, and reported to the Director by employers prior to the first day of the third calendar month preceding that date.

"Covered employment" for any calendar month means the total number of individuals, as determined by the Director, engaged in insured work at mid-month.

"Average monthly covered employment" means one-twelfth of the sum of the covered employment for the 12 months of a determination period.

"Statewide average annual wage" means the quotient, obtained by dividing gross wages by average monthly covered employment for the same determination period, rounded (if not already a multiple of one cent) to the nearest cent.

"Statewide average weekly wage" means the quotient, obtained by dividing the statewide average annual wage by 52, rounded (if not already a multiple of one cent) to the nearest cent. Notwithstanding

any provisions of this Section to the contrary, the statewide average weekly wage for the benefit period beginning July 1, 1982 and ending December 31, 1982 shall be the statewide average weekly wage in effect for the immediately preceding benefit period plus one-half of the result obtained by subtracting the statewide average weekly wage for the immediately preceding benefit period from the statewide average weekly wage for the benefit period beginning July 1, 1982 and ending December 31, 1982 as such statewide average weekly wage would have been determined but for the provisions of this paragraph. Notwithstanding any provisions of this Section to the contrary, the statewide average weekly wage for the benefit period beginning April 24, 1983 and ending January 31, 1984 shall be \$321 and for the benefit period beginning February 1, 1984 and ending December 31, 1986 shall be \$335, and for the benefit period beginning January 1, 1987, and ending December 31, 1987, shall be \$350, except that for an individual who has established a benefit year beginning before April 24, 1983, the statewide average weekly wage used in determining benefits, for any week beginning on or after April 24, 1983, claimed with respect to that benefit year, shall be \$334.80, except that, for the purpose of determining the minimum weekly benefit amount under subsection B(1) for the benefit period beginning January 1, 1987, and ending December 31, 1987, the statewide average weekly wage shall be \$335; for the benefit periods January 1, 1988 through December 31, 1988, January 1, 1989 through December 31, 1989, and January 1, 1990 through December 31, 1990, the statewide average weekly wage shall be \$359, \$381, and \$406, respectively. Notwithstanding the preceding sentences of this paragraph, for the benefit period of calendar year 1991, the statewide average weekly wage shall be \$406 plus (or minus) an amount equal to the percentage change in the statewide average weekly wage, as computed in accordance with the preceding sentences of this paragraph, between the benefit periods of calendar years 1989 and 1990, multiplied by \$406; and, for the benefit periods of calendar years 1992 through 2003 and calendar year 2005 and each calendar year thereafter, the statewide average weekly wage, shall be the statewide average weekly wage, as determined in accordance with this sentence, for the immediately preceding benefit period plus (or minus) an amount equal to the percentage change in the statewide average weekly wage, as computed in accordance with the preceding sentences of this paragraph, between the 2 immediately preceding benefit periods, multiplied by the statewide average weekly wage, as determined in accordance with this sentence, for the immediately preceding benefit period. However, for purposes of the Workers' Compensation Act, the statewide average weekly wage will be computed using June 1 and December 1 determination dates of each calendar year and such determination shall not be subject to the limitation of \$321, \$335, \$350, \$359, \$381, \$406 or the statewide average weekly wage as computed in accordance with the preceding sentence of this paragraph.

With respect to any week beginning on or after April 24, 1983 and before January 3, 1988, "maximum weekly benefit amount" means 48% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the nearest dollar, provided however, that the maximum weekly benefit amount for an individual who has established a benefit year beginning before April 24, 1983, shall be determined, for weeks beginning on or after April 24, 1983 claimed with respect to that benefit year, as provided under this Act as amended and in effect on November 30, 1982, except that the statewide average weekly wage used in such determination shall be \$334.80.

With respect to any week beginning after January 2, 1988 and before January 1, 1993, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means 49% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any week beginning on or after January 3, 1993 and during a benefit year beginning before January 4, 2004, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means 49.5% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning on or after January 4, 2004 and before January 6, 2008, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means 48% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

Except as otherwise provided in this Section, with ~~With~~ respect to any benefit year beginning on or after January 6, 2008, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means 47% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning in calendar year 2016, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means 42.8% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning in calendar year 2018, "maximum weekly benefit amount"

with respect to each week beginning within a benefit period means 42.9% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

C. With respect to any week beginning on or after April 24, 1983 and before January 3, 1988, an individual to whom benefits are payable with respect to any week shall, in addition to such benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 7% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the higher dollar; provided, that the total amount payable to the individual with respect to a week shall not exceed 55% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the nearest dollar; and in the case of an individual with a dependent child or dependent children, 14.4% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the higher dollar; provided, that the total amount payable to the individual with respect to a week shall not exceed 62.4% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar with respect to the benefit period beginning January 1, 1987 and ending December 31, 1987, and otherwise to the nearest dollar. However, for an individual with a nonworking spouse or with a dependent child or children who has established a benefit year beginning before April 24, 1983, the amount of additional benefits payable on account of the nonworking spouse or dependent child or children shall be determined, for weeks beginning on or after April 24, 1983 claimed with respect to that benefit year, as provided under this Act as in effect on November 30, 1982, except that the statewide average weekly wage used in such determination shall be \$334.80.

With respect to any week beginning on or after January 2, 1988 and before January 1, 1991 and any week beginning on or after January 1, 1992, and before January 1, 1993, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 8% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 57% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, 15% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed 64% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any week beginning on or after January 1, 1991 and before January 1, 1992, an individual to whom benefits are payable with respect to any week shall, in addition to the benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 8.3% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 57.3% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, 15.3% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed 64.3% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any week beginning on or after January 3, 1993, during a benefit year beginning before January 4, 2004, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 9% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 58.5% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, 16% of his prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed 65.5% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning on or after January 4, 2004 and before January 6, 2008, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 9% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 57% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children,

17.2% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed 65.2% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning on or after January 6, 2008 and before January 1, 2010, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 9% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 56% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, 18.2% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed 65.2% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

The additional amount paid pursuant to this subsection in the case of an individual with a dependent child or dependent children shall be referred to as the "dependent child allowance", and the percentage rate by which an individual's prior average weekly wage is multiplied pursuant to this subsection to calculate the dependent child allowance shall be referred to as the "dependent child allowance rate".

Except as otherwise provided in this Section, with ~~With~~ respect to any benefit year beginning on or after January 1, 2010, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, the greater of (i) 9% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) \$15, provided that the total amount payable to the individual with respect to a week shall not exceed 56% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, the greater of (i) the product of the dependent child allowance rate multiplied by his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) the lesser of \$50 or 50% of his or her weekly benefit amount, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed the product of the statewide average weekly wage multiplied by the sum of 47% plus the dependent child allowance rate, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning in calendar year 2016, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, the greater of (i) 9% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) \$15, provided that the total amount payable to the individual with respect to a week shall not exceed 51.8% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, the greater of (i) the product of the dependent child allowance rate multiplied by his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) the lesser of \$50 or 50% of his or her weekly benefit amount, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed the product of the statewide average weekly wage multiplied by the sum of 42.8% plus the dependent child allowance rate, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning in calendar year 2018, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, the greater of (i) 9% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) \$15, provided that the total amount payable to the individual with respect to a week shall not exceed 51.9% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, the greater of (i) the product of the dependent child allowance rate multiplied by his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) the lesser of \$50 or 50% of his or her weekly benefit amount, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed the product of the statewide average weekly wage multiplied by the sum of 42.9% plus

the dependent child allowance rate, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to each benefit year beginning after calendar year 2009, the dependent child allowance rate shall be the sum of the allowance adjustment applicable pursuant to Section 1400.1 to the calendar year in which the benefit year begins, plus the dependent child allowance rate with respect to each benefit year beginning in the immediately preceding calendar year, except as otherwise provided in this subsection. The dependent child allowance rate with respect to each benefit year beginning in calendar year 2010 shall not be greater than 18.2%. The dependent child allowance rate with respect to each benefit year beginning in calendar year 2011 shall be reduced by 0.2% absolute below the rate it would otherwise have been pursuant to this subsection and, with respect to each benefit year beginning after calendar year 2010, except as otherwise provided, shall not be less than 17.1% or greater than 18.0%. Unless, as a result of this sentence, the agreement between the Federal Government and State regarding the Federal Additional Compensation program established under Section 2002 of the American Recovery and Reinvestment Act, or a successor program, would not apply or would cease to apply, the dependent child allowance rate with respect to each benefit year beginning in calendar year 2012 shall be reduced by 0.1% absolute below the rate it would otherwise have been pursuant to this subsection and, with respect to each benefit year beginning after calendar year 2011, shall not be less than 17.0% or greater than 17.9%.

For the purposes of this subsection:

"Dependent" means a child or a nonworking spouse.

"Child" means a natural child, stepchild, or adopted child of an individual claiming benefits under this Act or a child who is in the custody of any such individual by court order, for whom the individual is supplying and, for at least 90 consecutive days (or for the duration of the parental relationship if it has existed for less than 90 days) immediately preceding any week with respect to which the individual has filed a claim, has supplied more than one-half the cost of support, or has supplied at least 1/4 of the cost of support if the individual and the other parent, together, are supplying and, during the aforesaid period, have supplied more than one-half the cost of support, and are, and were during the aforesaid period, members of the same household; and who, on the first day of such week (a) is under 18 years of age, or (b) is, and has been during the immediately preceding 90 days, unable to work because of illness or other disability: provided, that no person who has been determined to be a child of an individual who has been allowed benefits with respect to a week in the individual's benefit year shall be deemed to be a child of the other parent, and no other person shall be determined to be a child of such other parent, during the remainder of that benefit year.

"Nonworking spouse" means the lawful husband or wife of an individual claiming benefits under this Act, for whom more than one-half the cost of support has been supplied by the individual for at least 90 consecutive days (or for the duration of the marital relationship if it has existed for less than 90 days) immediately preceding any week with respect to which the individual has filed a claim, but only if the nonworking spouse is currently ineligible to receive benefits under this Act by reason of the provisions of Section 500E.

An individual who was obligated by law to provide for the support of a child or of a nonworking spouse for the aforesaid period of 90 consecutive days, but was prevented by illness or injury from doing so, shall be deemed to have provided more than one-half the cost of supporting the child or nonworking spouse for that period.

(Source: P.A. 96-30, eff. 6-30-09.)

(820 ILCS 405/403) (from Ch. 48, par. 403)

Sec. 403. Maximum total amount of benefits.)

A. With respect to any benefit year beginning prior to September 30, 1979, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits as shall be determined in the manner set forth in this Act as amended and in effect on November 9, 1977.

B. With respect to any benefit year beginning on or after September 30, 1979, except as otherwise provided in this Section, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 26 times his or her weekly benefit amount plus dependents' allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller. With respect to any benefit year beginning in calendar year 2012, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 25 times his or her weekly benefit amount plus dependents' allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller. If the maximum amount includable as "wages" pursuant to Section 235 is \$13,560 with respect to calendar year 2013, then, with respect to any benefit year beginning after March 31, 2013

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and before April 1, 2014, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 25 times his or her weekly benefit amount plus dependents allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller. With respect to any benefit year beginning in calendar year 2016 or 2018, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 24 times his or her weekly benefit amount plus dependents' allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller.

(Source: P.A. 97-1, eff. 3-31-11.)

(820 ILCS 405/611.1 new)

Sec. 611.1. Social Security Retirement Pay Task Force.

(a) The Social Security Retirement Pay Task Force is hereby created within the Department. The Task Force shall consist of 13 members. The following members shall be appointed within 60 days after the effective date of this amendatory Act of the 97th General Assembly: 2 members appointed by the President of the Senate; 2 members appointed by the Senate Minority Leader; 2 members appointed by the Speaker of the House of Representatives; 2 members appointed by the House Minority Leader; 2 members appointed by the Governor; and the Director, who shall serve as ex officio chairman and who shall appoint one additional member who shall be a representative citizen chosen from the employee class and one additional member who shall be a representative citizen chosen from the employing class. All members shall be voting members. Members shall serve without compensation, but may be reimbursed for expenses associated with the Task Force. The Task Force shall begin to conduct business upon the appointment of all members. For purposes of Task Force meetings, a quorum is 7 members. If a vacancy occurs on the Task Force, a successor member shall be appointed by the original appointing authority. Meetings of the Task Force are subject to the Open Meetings Act.

(b) The Task Force shall analyze the impact of paragraph 2 of subsection A of Section 611 of this Act on individuals receiving primary social security old age and disability retirement benefits and make a recommendation to the General Assembly as to the advisability of amending that paragraph with regard to those individuals. Considerations to be taken into account in the analysis include but are not limited to the amount of benefits that would have been payable in prior years if that paragraph had not applied to those individuals, the potential impact on employer liabilities under the Act had that paragraph not applied to those individuals, the current and projected balances in this State's account in the federal Unemployment Trust Fund and the fact that the majority of state unemployment insurance laws do not include comparable language with regard to those individuals. The Task Force shall hold at least 3 public hearings as part of its analysis. The Task Force may establish any committees it deems necessary.

(c) All findings, recommendations, public postings, and other relevant information pertaining to the Task Force shall be posted on the Department's website. The Department shall provide staff and administrative support to the Task Force. The Department and the Task Force may accept donated services and other resources from registered not-for-profit organizations that may be necessary to complete the work of the Task Force. The Task Force shall report its findings and recommendations to the Governor and the General Assembly no later than December 31, 2012, and shall be dissolved upon submission of the report.

(820 ILCS 405/702) (from Ch. 48, par. 452)

Sec. 702. Determinations. The claims adjudicator shall for each week with respect to which the claimant claims benefits or waiting period credit, make a "determination" which shall state whether or not the claimant is eligible for such benefits or waiting period credit and the sum to be paid the claimant with respect to such week. The claims adjudicator shall promptly notify the claimant and such employing unit as shall, within the time and in the manner prescribed by the Director, have filed a sufficient allegation that the claimant is ineligible to receive benefits or waiting period credit for said week, of his "determination" and the reasons therefor. The Director may, by rule adopted with the advice and aid of the Employment Security Advisory Board, require that an employing unit with 50 or more individuals in its employ during the prior calendar year, or an entity representing 5 or more employing units during the prior calendar year, file an allegation of ineligibility electronically in a manner prescribed by the Director. In making his "determination," the claims adjudicator shall give consideration to the information, if any, contained in the employing unit's allegation, whether or not the allegation is sufficient. The claims adjudicator shall deem an employing unit's allegation sufficient only if it contains a reason or reasons therefor (other than general conclusions of law, and statements such as "not actively seeking work" or "not available for work" shall be deemed, for this purpose, to be conclusions of law). If the claims adjudicator deems an allegation insufficient, he shall make a decision accordingly, and shall notify the employing unit of such decision and the reasons therefor. Such decision

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may be appealed by the employing unit to a Referee within the time limits prescribed by Section 800 for appeal from a "determination". Any such appeal, and any appeal from the Referee's decision thereon, shall be governed by the applicable provisions of Sections 801, 803, 804 and 805.

(Source: P.A. 81-1521.)

(820 ILCS 405/804) (from Ch. 48, par. 474)

Sec. 804. Conduct of hearings-Service of notice. The manner in which disputed claims for benefits shall be presented and the conduct of hearings and appeals shall be in accordance with regulations prescribed by the Director for determining the rights of the parties. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded but need not be transcribed unless the disputed claim is further appealed.

Whenever the giving of notice is required by Sections 701, 702, 703, 801, 803, 805, and 900, it may be given and be completed by mailing the same to the last known address of the person entitled thereto. If agreed to by the person or entity entitled to notice, notice may be given and completed electronically, in the manner prescribed by rule, by posting the notice on a secure web site accessible to the person or entity and sending notice of the posting to the last known e-mail address of the person or entity.

(Source: Laws 1955, p. 744.)

(820 ILCS 405/900) (from Ch. 48, par. 490)

Sec. 900. Recoupment.) A. Whenever an individual has received any sum as benefits for which he is found to have been ineligible, the amount thereof may be recovered by suit in the name of the People of the State of Illinois, or, from benefits payable to him, may be recouped:

1. At any time, if, to receive such sum, he knowingly made a false statement or knowingly failed to disclose a material fact.

2. Within 3 years from any date prior to January 1, 1984, on which he has been found to have been ineligible for any other reason, pursuant to a reconsidered finding or a reconsidered determination, or pursuant to the decision of a Referee (or of the Director or his representative under Section 604) which modifies or sets aside a finding or a reconsidered finding or a determination or a reconsidered determination; or within 5 years from any date after December 31, 1983, on which he has been found to have been ineligible for any other reason, pursuant to a reconsidered finding or a reconsidered determination, or pursuant to the decision of a Referee (or of the Director or his representative under Section 604) which modifies or sets aside a finding or a reconsidered finding or a determination or a reconsidered determination. Recoupment pursuant to the provisions of this paragraph from benefits payable to an individual for any week may be waived upon the individual's request, if the sum referred to in paragraph A was received by the individual without fault on his part and if such recoupment would be against equity and good conscience. Such waiver may be denied with respect to any subsequent week if, in that week, the facts and circumstances upon which waiver was based no longer exist.

B. Whenever the claims adjudicator referred to in Section 702 decides that any sum received by a claimant as benefits shall be recouped, or denies recoupment waiver requested by the claimant, he shall promptly notify the claimant of his decision and the reasons therefor. The decision and the notice thereof shall state the amount to be recouped, the weeks with respect to which such sum was received by the claimant, and the time within which it may be recouped and, as the case may be, the reasons for denial of recoupment waiver. The claims adjudicator may reconsider his decision within one year after the date when the decision was made. Such decision or reconsidered decision may be appealed to a Referee within the time limits prescribed by Section 800 for appeal from a determination. Any such appeal, and any appeal from the Referee's decision thereon, shall be governed by the applicable provisions of Sections 801, 803, 804 and 805. No recoupment shall be begun until the expiration of the time limits prescribed by Section 800 of this Act or, if an appeal has been filed, until the decision of a Referee has been made thereon affirming the decision of the Claims Adjudicator.

C. Any sums recovered under the provisions of this Section shall be treated as repayments to the Director of sums improperly obtained by the claimant.

D. Whenever, by reason of a back pay award made by any governmental agency or pursuant to arbitration proceedings, or by reason of a payment of wages wrongfully withheld by an employing unit, an individual has received wages for weeks with respect to which he has received benefits, the amount of such benefits may be recouped or otherwise recovered as herein provided. An employing unit making a back pay award to an individual for weeks with respect to which the individual has received benefits shall make the back pay award by check payable jointly to the individual and to the Director.

E. The amount recouped pursuant to paragraph 2 of subsection A from benefits payable to an individual for any week shall not exceed 25% of the individual's weekly benefit amount.

In addition to the remedies provided by this Section, when an individual has received any sum as benefits for which he is found to be ineligible, the Director may request the Comptroller to withhold

such sum in accordance with Section 10.05 of the State Comptroller Act and the Director may request the Secretary of the Treasury to withhold such sum to the extent allowed by and in accordance with Section 6402(f) of the federal Internal Revenue Code of 1986, as amended. Benefits paid pursuant to this Act shall not be subject to such withholding. Where the Director requests withholding by the Secretary of the Treasury pursuant to this Section, in addition to the amount of benefits for which the individual has been found ineligible, the individual shall be liable for any legally authorized administrative fee assessed by the Secretary, with such fee to be added to the amount to be withheld by the Secretary.
(Source: P.A. 85-956.)

(820 ILCS 405/1505) (from Ch. 48, par. 575)

Sec. 1505. Adjustment of state experience factor. The state experience factor shall be adjusted in accordance with the following provisions:

A. This subsection shall apply to each calendar year prior to 1980 for which a state experience factor is being determined.

For every \$7,000,000 (or fraction thereof) by which the amount standing to the credit of this State's account in the unemployment trust fund as of June 30 of the calendar year immediately preceding the calendar year for which the state experience factor is being determined falls below \$450,000,000, the state experience factor for the succeeding calendar year shall be increased 1 percent absolute.

For every \$7,000,000 (or fraction thereof) by which the amount standing to the credit of this State's account in the unemployment trust fund as of June 30 of the calendar year immediately preceding the calendar year for which the state experience factor is being determined exceeds \$450,000,000, the state experience factor for the succeeding year shall be reduced 1 percent absolute.

B. This subsection shall apply to the calendar years 1980 through 1987, for which the state experience factor is being determined.

For every \$12,000,000 (or fraction thereof) by which the amount standing to the credit of this State's account in the unemployment trust fund as of June 30 of the calendar year immediately preceding the calendar year for which the state experience factor is being determined falls below \$750,000,000, the state experience factor for the succeeding calendar year shall be increased 1 percent absolute.

For every \$12,000,000 (or fraction thereof) by which the amount standing to the credit of this State's account in the unemployment trust fund as of June 30 of the calendar year immediately preceding the calendar year for which the state experience factor is being determined exceeds \$750,000,000, the state experience factor for the succeeding year shall be reduced 1 percent absolute.

C. This subsection shall apply to the calendar year 1988 and each calendar year thereafter, for which the state experience factor is being determined.

1. For every \$50,000,000 (or fraction thereof) by which the adjusted trust fund balance falls below the target balance set forth in this subsection, the state experience factor for the succeeding year shall be increased one percent absolute.

For every \$50,000,000 (or fraction thereof) by which the adjusted trust fund balance exceeds the target balance set forth in this subsection, the state experience factor for the succeeding year shall be decreased by one percent absolute.

The target balance in each calendar year prior to 2003 is \$750,000,000. The target balance in calendar year 2003 is \$920,000,000. The target balance in calendar year 2004 is \$960,000,000. The target balance in calendar year 2005 and each calendar year thereafter is \$1,000,000,000.

2. For the purposes of this subsection:

"Net trust fund balance" is the amount standing to the credit of this State's account in the unemployment trust fund as of June 30 of the calendar year immediately preceding the year for which a state experience factor is being determined.

"Adjusted trust fund balance" is the net trust fund balance minus the sum of the benefit reserves for fund building for July 1, 1987 through June 30 of the year prior to the year for which the state experience factor is being determined. The adjusted trust fund balance shall not be less than zero. If the preceding calculation results in a number which is less than zero, the amount by which it is less than zero shall reduce the sum of the benefit reserves for fund building for subsequent years.

For the purpose of determining the state experience factor for 1989 and for each calendar year thereafter, the following "benefit reserves for fund building" shall apply for each state experience factor calculation in which that 12 month period is applicable:

a. For the 12 month period ending on June 30, 1988, the "benefit reserve for fund building" shall be 8/104th of the total benefits paid from January 1, 1988 through June 30, 1988.

b. For the 12 month period ending on June 30, 1989, the "benefit reserve for fund building" shall be the sum of:

i. 8/104ths of the total benefits paid from July 1, 1988 through December 31, 1988, plus

ii. 4/108ths of the total benefits paid from January 1, 1989 through June 30, 1989.

c. For the 12 month period ending on June 30, 1990, the "benefit reserve for fund building" shall be 4/108ths of the total benefits paid from July 1, 1989 through December 31, 1989.

d. For 1992 and for each calendar year thereafter, the "benefit reserve for fund building" for the 12 month period ending on June 30, 1991 and for each subsequent 12 month period shall be zero.

3. Notwithstanding the preceding provisions of this subsection, for calendar years 1988 through 2003, the state experience factor shall not be increased or decreased by more than 15 percent absolute.

D. Notwithstanding the provisions of subsection C, the adjusted state experience factor:

1. Shall be 111 percent for calendar year 1988;

2. Shall not be less than 75 percent nor greater than 135 percent for calendar years 1989 through 2003; and shall not be less than 75% nor greater than 150% for calendar year 2004 and each calendar year thereafter, not counting any increase pursuant to subsection D-1, D-2, or D-3;

3. Shall not be decreased by more than 5 percent absolute for any calendar year, beginning in calendar year 1989 and through calendar year 1992, by more than 6% absolute for calendar years 1993 through 1995, by more than 10% absolute for calendar years 1999 through 2003 and by more than 12% absolute for calendar year 2004 and each calendar year thereafter, from the adjusted state experience factor of the calendar year preceding the calendar year for which the adjusted state experience factor is being determined;

4. Shall not be increased by more than 15% absolute for calendar year 1993, by more than 14% absolute for calendar years 1994 and 1995, by more than 10% absolute for calendar years 1999 through 2003 and by more than 16% absolute for calendar year 2004 and each calendar year thereafter, from the adjusted state experience factor for the calendar year preceding the calendar year for which the adjusted state experience factor is being determined;

5. Shall be 100% for calendar years 1996, 1997, and 1998.

D-1. The adjusted state experience factor for each of calendar years 2013 through 2015 shall be increased by 5% absolute above the adjusted state experience factor as calculated without regard to this subsection. The adjusted state experience factor for each of calendar years 2016 through 2019 shall be increased by 6% absolute above the adjusted state experience factor as calculated without regard to this subsection. The increase in the adjusted state experience for calendar year 2019 pursuant to this subsection shall not be counted for purposes of applying paragraph 3 or 4 of subsection D to the calculation of the adjusted state experience factor for calendar year 2020.

D-2. The adjusted state experience factor for calendar year 2016 shall be increased by 19% absolute above the adjusted state experience factor as calculated without regard to this subsection. The increase in the adjusted state experience factor for calendar year 2016 pursuant to this subsection shall not be counted for purposes of applying paragraph 3 or 4 of subsection D to the calculation of the adjusted state experience factor for calendar year 2017.

D-3. The adjusted state experience factor for calendar year 2018 shall be increased by 19% absolute above the adjusted state experience factor as calculated without regard to this subsection. The increase in the adjusted state experience factor for calendar year 2018 pursuant to this subsection shall not be counted for purposes of applying paragraph 3 or 4 of subsection D to the calculation of the adjusted state experience factor for calendar year 2019.

E. The amount standing to the credit of this State's account in the unemployment trust fund as of June 30 shall be deemed to include as part thereof (a) any amount receivable on that date from any Federal governmental agency, or as a payment in lieu of contributions under the provisions of Sections 1403 and 1405 B and paragraph 2 of Section 302C, in reimbursement of benefits paid to individuals, and (b) amounts credited by the Secretary of the Treasury of the United States to this State's account in the unemployment trust fund pursuant to Section 903 of the Federal Social Security Act, as amended, including any such amounts which have been appropriated by the General Assembly in accordance with the provisions of Section 2100 B for expenses of administration, except any amounts which have been obligated on or before that date pursuant to such appropriation.

(Source: P.A. 93-634, eff. 1-1-04.)

(820 ILCS 405/1506.1) (from Ch. 48, par. 576.1)

Sec. 1506.1. Determination of Employer's Contribution Rate.

A. The contribution rate for any calendar year prior to 1982 of each employer who has incurred

liability for the payment of contributions within each of the three calendar years immediately preceding the calendar year for which a rate is being determined shall be determined in accordance with the provisions of this Act as amended and in effect on October 5, 1980.

B. The contribution rate for calendar years 1982 and 1983 of each employer who has incurred liability for the payment of contributions within each of the three calendar years immediately preceding the calendar year for which a rate is being determined shall be the product obtained by multiplying the employer's benefit wage ratio for that calendar year by the adjusted state experience factor for the same year, provided that:

1. No employer's contribution rate shall be lower than two-tenths of 1 percent or higher than 5.3%; and
2. Intermediate contribution rates between such minimum and maximum rates shall be at one-tenth of 1 percent intervals.
3. If the product obtained as provided in this subsection is not an exact multiple of one-tenth of 1 percent, it shall be increased or reduced, as the case may be, to the nearer multiple of one-tenth of 1 percent. If such product is equally near to two multiples of one-tenth of 1 percent, it shall be increased to the higher multiple of one-tenth of 1 percent. If such product is less than two-tenths of one percent, it shall be increased to two-tenths of 1 percent, and if greater than 5.3%, it shall be reduced to 5.3%.

The contribution rate of each employer for whom wages became benefit wages during the applicable period specified in Section 1503, but who paid no contributions upon wages for insured work during such period on or before the date designated in Section 1503, shall be 5.3%.

The contribution rate of each employer for whom no wages became benefit wages during the applicable period specified in Section 1503, and who paid no contributions upon wages for insured work during such period on or before the date specified in Section 1503, shall be 2.7 percent.

Notwithstanding the other provisions of this Section, no employer's contribution rate with respect to calendar years 1982 and 1983 shall exceed 2.7 percent of the wages for insured work paid by him during any calendar quarter, if such wages paid during such calendar quarter total less than \$50,000.

C. The contribution rate for calendar years 1984, 1985 and 1986 of each employer who has incurred liability for the payment of contributions within each of the two calendar years immediately preceding the calendar year for which a rate is being determined shall be the product obtained by multiplying the employer's benefit wage ratio for that calendar year by the adjusted state experience factor for the same year, provided that:

1. An employer's minimum contribution rate shall be the greater of: .2%; or, the product obtained by multiplying .2% by the adjusted state experience factor for the applicable calendar year.
2. An employer's maximum contribution rate shall be the greater of 5.5% or the product of 5.5% and the adjusted State experience factor for the applicable calendar year except that such maximum contribution rate shall not be higher than 6.3% for calendar year 1984, nor be higher than 6.6% or lower than 6.4% for calendar year 1985, nor be higher than 6.7% or lower than 6.5% for calendar year 1986.
3. If any product obtained in this subsection is not an exact multiple of one-tenth of one percent, it shall be increased or reduced, as the case may be to the nearer multiple of one-tenth of one percent. If such product is equally near to two multiples of one-tenth of one percent, it shall be increased to the higher multiple of one-tenth of one percent.
4. Intermediate rates between such minimum and maximum rates shall be at one-tenth of one percent intervals.

The contribution rate of each employer for whom wages became benefit wages during the applicable period specified in Section 1503, but who paid no contributions upon wages for insured work during such period on or before the date designated in Section 1503, shall be the maximum contribution rate as determined by paragraph 2 of this subsection. The contribution rate for each employer for whom no wages became benefit wages during the applicable period on or before the date specified in Section 1503, and who paid no contributions upon wages for insured work during such period on or before the date specified in Section 1503, shall be the greater of 2.7% or 2.7% times the then current adjusted state experience factor as determined by the Director in accordance with the provisions of Sections 1504 and 1505.

Notwithstanding, the other provisions of this Section, no employer's contribution rate with respect to the calendar year 1984 shall exceed 2.7 percent times the then current adjusted state experience factor as determined by the Director in accordance with the provisions of Sections 1504 and 1505 of the wages for insured work paid by him during any calendar quarter, if such wages paid during such calendar quarter total less than \$50,000.

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D. The contribution rate for calendar years 1987, 1988, 1989 and 1990 of each employer who has incurred liability for the payment of contributions within each of the three calendar years immediately preceding the calendar year for which a rate is being determined shall be the product obtained by multiplying the employer's benefit wage ratio for that calendar year by the adjusted state experience factor for the same year, provided, that:

1. An employer's minimum contribution rate shall be the greater of .2% or the product obtained by multiplying .2% by the adjusted State experience factor for the applicable calendar year.
2. An employer's maximum contribution rate shall be the greater of 5.5% or the product of 5.5% and the adjusted State experience factor for the calendar year 1987 except that such maximum contribution rate shall not be higher than 6.7% or lower than 6.5% and an employer's maximum contribution rate for 1988, 1989 and 1990 shall be the greater of 6.4% or the product of 6.4% and the adjusted State experience factor for the applicable calendar year.
3. If any product obtained in this subsection is not an exact multiple of one-tenth of one percent, it shall be increased or reduced, as the case may be to the nearer multiple of one-tenth of 1 percent. If such product is equally near to two multiples of one-tenth of 1 percent, it shall be increased to the higher multiple of one-tenth of 1 percent.
4. Intermediate rates between such minimum and maximum rates shall be at one-tenth of 1 percent intervals.

The contribution rate of each employer for whom wages became benefit wages during the applicable period specified in Section 1503, but who did not report wages for insured work during such period, shall be the maximum contribution rate as determined by paragraph 2 of this subsection. The contribution rate for each employer for whom no wages became benefit wages during the applicable period specified in Section 1503, and who did not report wages for insured work during such period, shall be the greater of 2.7% or 2.7% times the then current adjusted State experience factor as determined by the Director in accordance with the provisions of Sections 1504 and 1505.

E. The contribution rate for calendar year 1991 and each calendar year thereafter of each employer who has incurred liability for the payment of contributions within each of the three calendar years immediately preceding the calendar year for which a rate is being determined shall be the product obtained by multiplying the employer's benefit ratio defined by Section 1503.1 for that calendar year by the adjusted state experience factor for the same year, provided that:

1. Except as otherwise provided in this paragraph, an employer's minimum contribution rate shall be the greater of 0.2% or the product obtained by multiplying 0.2% by the adjusted state experience factor for the applicable calendar year. An employer's minimum contribution rate shall be 0.1% for calendar year 1996. An employer's minimum contribution rate shall be 0.0% for calendar years 2012 through 2019.
2. An employer's maximum contribution rate shall be the greater of 6.4% or the product of 6.4% and the adjusted state experience factor for the applicable calendar year.
3. If any product obtained in this subsection is not an exact multiple of one-tenth of one percent, it shall be increased or reduced, as the case may be to the nearer multiple of one-tenth of one percent. If such product is equally near to two multiples of one-tenth of one percent, it shall be increased to the higher multiple of one-tenth of one percent.
4. Intermediate rates between such minimum and maximum rates shall be at one-tenth of one percent intervals.

The contribution rate of each employer for whom wages became benefit wages during the applicable period specified in Section 1503 or for whom benefit payments became benefit charges during the applicable period specified in Section 1503.1, but who did not report wages for insured work during such period, shall be the maximum contribution rate as determined by paragraph 2 of this subsection. The contribution rate for each employer for whom no wages became benefit wages during the applicable period specified in Section 1503 or for whom no benefit payments became benefit charges during the applicable period specified in Section 1503.1, and who did not report wages for insured work during such period, shall be the greater of 2.7% or 2.7% times the then current adjusted state experience factor as determined by the Director in accordance with the provisions of Sections 1504 and 1505.

F. Notwithstanding the other provisions of this Section, and pursuant to Section 271 of the Tax Equity and Fiscal Responsibility Act of 1982, as amended, no employer's contribution rate with respect to calendar years 1985, 1986, 1987 and 1988 shall, for any calendar quarter during which the wages paid by that employer are less than \$50,000, exceed the following: with respect to calendar year 1985, 3.7%; with respect to calendar year 1986, 4.1%; with respect to calendar year 1987, 4.5%; and with respect to calendar year 1988, 5.0%.

G. Notwithstanding the other provisions of this Section, no employer's contribution rate with respect

to calendar year 1989 and each calendar year thereafter shall exceed 5.4% of the wages for insured work paid by him during any calendar quarter, if such wages paid during such calendar quarter total less than \$50,000, plus any applicable penalty contribution rate calculated pursuant to subsection C of Section 1507.1.

(Source: P.A. 94-301, eff. 1-1-06.)

(820 ILCS 405/1506.3) (from Ch. 48, par. 576.3)

Sec. 1506.3. Fund building rates - Temporary Administrative Funding.

A. Notwithstanding any other provision of this Act, the following fund building rates shall be in effect for the following calendar years:

For each employer whose contribution rate for 1988, 1989, 1990, the first, third, and fourth quarters of 1991, 1992, 1993, 1994, 1995, and 1997 through 2003 would, in the absence of this Section, be 0.2% or higher, a contribution rate which is the sum of such rate and a fund building rate of 0.4%;

For each employer whose contribution rate for the second quarter of 1991 would, in the absence of this Section, be 0.2% or higher, a contribution rate which is the sum of such rate and 0.3%;

For each employer whose contribution rate for 1996 would, in the absence of this Section, be 0.1% or higher, a contribution rate which is the sum of such rate and 0.4%;

For each employer whose contribution rate for 2004 through 2009 would, in the absence of this Section, be 0.2% or higher, a contribution rate which is the sum of such rate and the following: a fund building rate of 0.7% for 2004; a fund building rate of 0.9% for 2005; a fund building rate of 0.8% for 2006 and 2007; a fund building rate of 0.6% for 2008; a fund building rate of 0.4% for 2009.

Except as otherwise provided in this Section, for each employer whose contribution rate for 2010 and any calendar year thereafter is determined pursuant to Section 1500 or 1506.1, including but not limited to an employer whose contribution rate pursuant to Section 1506.1 is 0.0% would, in the absence of this Section, be 0.2% or higher, a contribution rate which is the sum of the rate determined pursuant to Section 1500 or 1506.1 such rate and a fund building rate equal to the sum of the rate adjustment applicable to that year pursuant to Section 1400.1, plus the fund building rate in effect pursuant to this Section for the immediately preceding calendar year.

For calendar year 2012 and any outstanding bond year thereafter, for each employer whose contribution rate is determined pursuant to Section 1500 or 1506.1, including but not limited to an employer whose contribution rate pursuant to Section 1506.1 is 0.0%, a contribution rate which is the sum of the rate determined pursuant to Section 1500 or 1506.1 and .55%. For purposes of this subsection, a calendar year is an outstanding bond year if, as of October 31 of the immediately preceding calendar year, there are bonds outstanding pursuant to the Illinois Unemployment Insurance Trust Fund Financing Act.

Notwithstanding any provision to the contrary, the fund building rate in effect for any calendar year after calendar year 2009 shall not be less than 0.4% or greater than 0.55%. Notwithstanding any other provision to the contrary, the fund building rate established pursuant to this Section shall not apply with respect to the first quarter of calendar year 2011. The changes made to Section 235 by this amendatory Act of the 97th General Assembly are intended to offset the loss of revenue to the State's account in the unemployment trust fund with respect to the first quarter of calendar year 2011 as a result of Section 1506.5 and the changes made to this Section by this amendatory Act of the 97th General Assembly.

Notwithstanding the preceding paragraphs of this Section or any other provision of this Act, except for the provisions contained in Section 1500 pertaining to rates applicable to employers classified under the Standard Industrial Code, or another classification system sanctioned by the United States Department of Labor and prescribed by the Director by rule, no employer whose total wages for insured work paid by him during any calendar quarter in 1988 and any calendar year thereafter are less than \$50,000 shall pay contributions at a rate with respect to such quarter which exceeds the following: with respect to calendar year 1988, 5%; with respect to 1989 and any calendar year thereafter, 5.4%, plus any penalty contribution rate calculated pursuant to subsection C of Section 1507.1.

Notwithstanding the preceding paragraph of this Section, or any other provision of this Act, no employer's contribution rate with respect to calendar years 1993 through 1995 shall exceed 5.4% if the employer ceased operations at an Illinois manufacturing facility in 1991 and remained closed at that facility during all of 1992, and the employer in 1993 commits to invest at least \$5,000,000 for the purpose of resuming operations at that facility, and the employer rehires during 1993 at least 250 of the individuals employed by it at that facility during the one year period prior to the cessation of its operations, provided that, within 30 days after the effective date of this amendatory Act of 1993, the employer makes application to the Department to have the provisions of this paragraph apply to it. The immediately preceding sentence shall be null and void with respect to an employer which by December 31, 1993 has not satisfied the rehiring requirement specified by this paragraph or which by December 31,

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1994 has not made the investment specified by this paragraph.

All payments attributable to the fund building rate established pursuant to this Section with respect to the ~~first fourth~~ quarter of calendar year ~~2013 2003, the first quarter of calendar year 2004~~ and any calendar quarter thereafter as of the close of which there are either bond obligations outstanding pursuant to the Illinois Unemployment Insurance Trust Fund Financing Act, or bond obligations anticipated to be outstanding as of either or both of the 2 immediately succeeding calendar quarters, shall be directed for deposit into the Master Bond Fund. Notwithstanding any other provision of this subsection, no fund building rate shall be added to any penalty contribution rate assessed pursuant to subsection C of Section 1507.1.

B. Notwithstanding any other provision of this Act, for the second quarter of 1991, the contribution rate of each employer as determined in accordance with Sections 1500, 1506.1, and subsection A of this Section shall be equal to the sum of such rate and 0.1%; provided that this subsection shall not apply to any employer whose rate computed under Section 1506.1 for such quarter is between 5.1% and 5.3%, inclusive, and who qualifies for the 5.4% rate ceiling imposed by the last paragraph of subsection A for such quarter. All payments made pursuant to this subsection shall be deposited in the Employment Security Administrative Fund established under Section 2103.1 and used for the administration of this Act.

C. Payments received by the Director which are insufficient to pay the total contributions due under the Act shall be first applied to satisfy the amount due pursuant to subsection B.

C-1. Payments received by the Director with respect to the ~~first fourth~~ quarter of calendar year ~~2013 2003, the first quarter of calendar year 2004~~ and any calendar quarter thereafter as of the close of which there are either bond obligations outstanding pursuant to the Illinois Unemployment Insurance Trust Fund Financing Act, or bond obligations anticipated to be outstanding as of either or both of the 2 immediately succeeding calendar quarters, shall, to the extent they are insufficient to pay the total amount due under the Act with respect to the quarter, be first applied to satisfy the amount due with respect to that quarter and attributable to the fund building rate established pursuant to this Section. Notwithstanding any other provision to the contrary, with respect to an employer whose contribution rate with respect to a quarter subject to this subsection would have exceeded 5.4% but for the 5.4% rate ceiling imposed pursuant to subsection A, the amount due from the employer with respect to that quarter and attributable to the fund building rate established pursuant to subsection A shall equal the amount, if any, by which the amount due and attributable to the 5.4% rate exceeds the amount that would have been due and attributable to the employer's rate determined pursuant to Sections 1500 and 1506.1, without regard to the fund building rate established pursuant to subsection A.

D. All provisions of this Act applicable to the collection or refund of any contribution due under this Act shall be applicable to the collection or refund of amounts due pursuant to subsection B and amounts directed pursuant to this Section for deposit into the Master Bond Fund to the extent they would not otherwise be considered as contributions.

(Source: P.A. 97-1, eff. 3-31-11.)

(820 ILCS 405/1506.6 new)

Sec. 1506.6. Surcharge; specified period. For each employer whose contribution rate for calendar year 2016 or 2018 is determined pursuant to Section 1500 or 1506.1, including but not limited to an employer whose contribution rate pursuant to Section 1506.1 is 0.0%, in addition to the contribution rate established pursuant to Section 1506.3, an additional surcharge of 0.3% shall be added to the contribution rate. The surcharge established by this Section shall be due at the same time as other contributions with respect to the quarter are due, as provided in Section 1400. Payments attributable to the surcharge established pursuant to this Section shall be contributions and deposited into the clearing account.

(820 ILCS 405/1510) (from Ch. 48, par. 580)

Sec. 1510. Service of notice.

Whenever service of notice is required by Sections 1508 and 1509, such notice may be given and be complete by depositing the same with the United States Mail, addressed to the employer at his last known address. If represented by counsel in the proceedings before the Director, then service of notice may be made upon such employer by mailing same to such counsel. If agreed to by the person or entity entitled to notice, notice may be given and completed electronically, in the manner prescribed by rule, by posting the notice on a secure web site accessible to the person or entity and sending notice of the posting to the last known e-mail address of the person or entity.

(Source: Laws 1951, p. 32.)

(820 ILCS 405/1705) (from Ch. 48, par. 615)

Sec. 1705. Employment offices; State employment service. The Director shall create as many

employment districts and establish and maintain as many State employment offices as he or she deems necessary to carry out the provisions of this Act. ~~In addition to such offices and branches, the Illinois Public Employment Offices now in existence and such as may hereafter be created pursuant to the provisions of the Public Employment Office Act shall also serve as employment offices within the purview of this Act.~~ All such offices and agencies so created and established, ~~together with the Illinois Public Employment offices,~~ shall constitute the State employment service within the meaning of this Act. The Department of Employment Security and the Director thereof may continue to be the State agency for cooperation with the United States Employment Service under an Act of Congress entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes," approved June 6, 1933, as amended.

The Director may cooperate with or enter into agreements with the Railroad Retirement Board with respect to the establishment, maintenance, and use of free employment service facilities. For the purpose of establishing and maintaining free public employment offices, the Director is authorized to enter into agreements with the Railroad Retirement Board, or any other agency of the United States charged with the administration of an unemployment compensation law, or with any political subdivision of this State, and as a part of any such agreement the Director may accept moneys, services, or quarters as a contribution, to be treated in the same manner as funds received pursuant to Section 2103.

Pursuant to Sections 4-6.2, 5-16.2, and 6-50.2 of the general election law of the State, the Director shall make unemployment offices available for use as temporary places of registration. Registration within the offices shall be in the most public, orderly, and convenient portions thereof, and Sections 4-3, 5-3, and 11-4 of the general election law relative to the attendance of police officers during the conduct of registration shall apply. Registration under this Section shall be made in the manner provided by Sections 4-8, 4-10, 5-7, 5-9, 6-34, 6-35, and 6-37 of the general election law. Employees of the Department in those offices are eligible to serve as deputy registrars.

(Source: P.A. 90-372, eff. 7-1-98.)

(820 ILCS 405/1801.1)

Sec. 1801.1. Directory of New Hires.

A. The Director shall establish and operate an automated directory of newly hired employees which shall be known as the "Illinois Directory of New Hires" which shall contain the information required to be reported by employers to the Department under subsection B. In the administration of the Directory, the Director shall comply with any requirements concerning the Employer New Hire Reporting Program established by the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Director is authorized to use the information contained in the Directory of New Hires to administer any of the provisions of this Act.

B. ~~Each On and after October 1, 1997, each~~ employer in Illinois, except a department, agency, or instrumentality of the United States, shall file with the Department a report in accordance with rules adopted by the Department (but in any event not later than 20 days after the date the employer hires the employee or, in the case of an employer transmitting reports magnetically or electronically, by 2 monthly transmissions, if necessary, not less than 12 days nor more than 16 days apart) providing the following information concerning each newly hired employee: the employee's name, address, and social security number, ~~the date services for remuneration were first performed by the employee,~~ and the employer's name, address, Federal Employer Identification Number assigned under Section 6109 of the Internal Revenue Code of 1986, and such other information as may be required by federal law or regulation, provided that each employer may voluntarily file ~~the date of new hire,~~ and the address to which the employer wants income withholding orders to be mailed, if it is different from the address given on the Federal Employer Identification Number. An employer in Illinois which transmits its reports electronically or magnetically and which also has employees in another state may report all newly hired employees to a single designated state in which the employer has employees if it has so notified the Secretary of the United States Department of Health and Human Services in writing. An employer may, at its option, submit information regarding any rehired employee in the same manner as information is submitted regarding a newly hired employee. Each report required under this subsection shall ~~to the extent practicable,~~ be made on an Internal Revenue Service Form W-4 or, at the option of the employer, an equivalent form, and may be transmitted by first class mail, by telefax, magnetically, or electronically.

C. An employer which knowingly fails to comply with the reporting requirements established by this Section shall be subject to a civil penalty of \$15 for each individual whom it fails to report. An employer shall be considered to have knowingly failed to comply with the reporting requirements established by this Section with respect to an individual if the employer has been notified by the Department that it has failed to report an individual, and it fails, without reasonable cause, to supply the required information to

the Department within 21 days after the date of mailing of the notice. Any individual who knowingly conspires with the newly hired employee to cause the employer to fail to report the information required by this Section or who knowingly conspires with the newly hired employee to cause the employer to file a false or incomplete report shall be guilty of a Class B misdemeanor with a fine not to exceed \$500 with respect to each employee with whom the individual so conspires.

D. As used in this Section, "newly hired employee" means an individual who is an employee within the meaning of Chapter 24 of the Internal Revenue Code of 1986, and whose reporting to work which results in earnings from the employer is the first instance within the preceding 180 days that the individual has reported for work for which earnings were received from that employer; however, "newly hired employee" does not include an employee of a federal or State agency performing intelligence or counterintelligence functions, if the head of that agency has determined that the filing of the report required by this Section with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

Notwithstanding Section 205, and for the purposes of this Section only, the term "employer" has the meaning given by Section 3401(d) of the Internal Revenue Code of 1986 and includes any governmental entity and labor organization as defined by Section 2(5) of the National Labor Relations Act, and includes any entity (also known as a hiring hall) which is used by the organization and an employer to carry out the requirements described in Section 8(f)(3) of that Act of an agreement between the organization and the employer.

(Source: P.A. 90-425, eff. 8-15-97.)

(820 ILCS 405/1900) (from Ch. 48, par. 640)

Sec. 1900. Disclosure of information.

A. Except as provided in this Section, information obtained from any individual or employing unit during the administration of this Act shall:

1. be confidential,
2. not be published or open to public inspection,
3. not be used in any court in any pending action or proceeding,
4. not be admissible in evidence in any action or proceeding other than one arising out of this Act.

B. No finding, determination, decision, ruling or order (including any finding of fact, statement or conclusion made therein) issued pursuant to this Act shall be admissible or used in evidence in any action other than one arising out of this Act, nor shall it be binding or conclusive except as provided in this Act, nor shall it constitute res judicata, regardless of whether the actions were between the same or related parties or involved the same facts.

C. Any officer or employee of this State, any officer or employee of any entity authorized to obtain information pursuant to this Section, and any agent of this State or of such entity who, except with authority of the Director under this Section, shall disclose information shall be guilty of a Class B misdemeanor and shall be disqualified from holding any appointment or employment by the State.

D. An individual or his duly authorized agent may be supplied with information from records only to the extent necessary for the proper presentation of his claim for benefits or with his existing or prospective rights to benefits. Discretion to disclose this information belongs solely to the Director and is not subject to a release or waiver by the individual. Notwithstanding any other provision to the contrary, an individual or his or her duly authorized agent may be supplied with a statement of the amount of benefits paid to the individual during the 18 months preceding the date of his or her request.

E. An employing unit may be furnished with information, only if deemed by the Director as necessary to enable it to fully discharge its obligations or safeguard its rights under the Act. Discretion to disclose this information belongs solely to the Director and is not subject to a release or waiver by the employing unit.

F. The Director may furnish any information that he may deem proper to any public officer or public agency of this or any other State or of the federal government dealing with:

1. the administration of relief,
2. public assistance,
3. unemployment compensation,
4. a system of public employment offices,
5. wages and hours of employment, or
6. a public works program.

The Director may make available to the Illinois Workers' Compensation Commission information regarding employers for the purpose of verifying the insurance coverage required under the Workers' Compensation Act and Workers' Occupational Diseases Act.

G. The Director may disclose information submitted by the State or any of its political subdivisions, municipal corporations, instrumentalities, or school or community college districts, except for information which specifically identifies an individual claimant.

H. The Director shall disclose only that information required to be disclosed under Section 303 of the Social Security Act, as amended, including:

1. any information required to be given the United States Department of Labor under Section 303(a)(6); and
2. the making available upon request to any agency of the United States charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation and employment status of each recipient of unemployment compensation, and a statement of such recipient's right to further compensation under such law as required by Section 303(a)(7); and
3. records to make available to the Railroad Retirement Board as required by Section 303(c)(1); and
4. information that will assure reasonable cooperation with every agency of the United States charged with the administration of any unemployment compensation law as required by Section 303(c)(2); and
5. information upon request and on a reimbursable basis to the United States Department of Agriculture and to any State food stamp agency concerning any information required to be furnished by Section 303(d); and
6. any wage information upon request and on a reimbursable basis to any State or local child support enforcement agency required by Section 303(e); and
7. any information required under the income eligibility and verification system as required by Section 303(f); and
8. information that might be useful in locating an absent parent or that parent's employer, establishing paternity or establishing, modifying, or enforcing child support orders for the purpose of a child support enforcement program under Title IV of the Social Security Act upon the request of and on a reimbursable basis to the public agency administering the Federal Parent Locator Service as required by Section 303(h); and
9. information, upon request, to representatives of any federal, State or local governmental public housing agency with respect to individuals who have signed the appropriate consent form approved by the Secretary of Housing and Urban Development and who are applying for or participating in any housing assistance program administered by the United States Department of Housing and Urban Development as required by Section 303(i).

I. The Director, upon the request of a public agency of Illinois, of the federal government or of any other state charged with the investigation or enforcement of Section 10-5 of the Criminal Code of 1961 (or a similar federal law or similar law of another State), may furnish the public agency information regarding the individual specified in the request as to:

1. the current or most recent home address of the individual, and
2. the names and addresses of the individual's employers.

J. Nothing in this Section shall be deemed to interfere with the disclosure of certain records as provided for in Section 1706 or with the right to make available to the Internal Revenue Service of the United States Department of the Treasury, or the Department of Revenue of the State of Illinois, information obtained under this Act.

K. The Department shall make available to the Illinois Student Assistance Commission, upon request, information in the possession of the Department that may be necessary or useful to the Commission in the collection of defaulted or delinquent student loans which the Commission administers.

L. The Department shall make available to the State Employees' Retirement System, the State Universities Retirement System, ~~and~~ the Teachers' Retirement System of the State of Illinois, and the Department of Central Management Services, Risk Management Division, upon request, information in the possession of the Department that may be necessary or useful to the System or the Risk Management Division for the purpose of determining whether any recipient of a disability benefit from the System or a workers' compensation benefit from the Risk Management Division is gainfully employed.

M. This Section shall be applicable to the information obtained in the administration of the State employment service, except that the Director may publish or release general labor market information and may furnish information that he may deem proper to an individual, public officer or public agency of this or any other State or the federal government (in addition to those public officers or public agencies specified in this Section) as he prescribes by Rule.

N. The Director may require such safeguards as he deems proper to insure that information disclosed pursuant to this Section is used only for the purposes set forth in this Section.

O. Nothing in this Section prohibits communication with an individual or entity through unencrypted e-mail or other unencrypted electronic means as long as the communication does not contain the individual's or entity's name in combination with any one or more of the individual's or entity's social security number; driver's license or State identification number; account number or credit or debit card number; or any required security code, access code, or password that would permit access to further information pertaining to the individual or entity (Blank).

P. Within 30 days after the effective date of this amendatory Act of 1993 and annually thereafter, the Department shall provide to the Department of Financial Institutions a list of individuals or entities that, for the most recently completed calendar year, report to the Department as paying wages to workers. The lists shall be deemed confidential and may not be disclosed to any other person.

Q. The Director shall make available to an elected federal official the name and address of an individual or entity that is located within the jurisdiction from which the official was elected and that, for the most recently completed calendar year, has reported to the Department as paying wages to workers, where the information will be used in connection with the official duties of the official and the official requests the information in writing, specifying the purposes for which it will be used. For purposes of this subsection, the use of information in connection with the official duties of an official does not include use of the information in connection with the solicitation of contributions or expenditures, in money or in kind, to or on behalf of a candidate for public or political office or a political party or with respect to a public question, as defined in Section 1-3 of the Election Code, or in connection with any commercial solicitation. Any elected federal official who, in submitting a request for information covered by this subsection, knowingly makes a false statement or fails to disclose a material fact, with the intent to obtain the information for a purpose not authorized by this subsection, shall be guilty of a Class B misdemeanor.

R. The Director may provide to any State or local child support agency, upon request and on a reimbursable basis, information that might be useful in locating an absent parent or that parent's employer, establishing paternity, or establishing, modifying, or enforcing child support orders.

S. The Department shall make available to a State's Attorney of this State or a State's Attorney's investigator, upon request, the current address or, if the current address is unavailable, current employer information, if available, of a victim of a felony or a witness to a felony or a person against whom an arrest warrant is outstanding.

T. The Director shall make available to the Department of State Police, a county sheriff's office, or a municipal police department, upon request, any information concerning the current address and place of employment or former places of employment of a person who is required to register as a sex offender under the Sex Offender Registration Act that may be useful in enforcing the registration provisions of that Act.

(Source: P.A. 96-420, eff. 8-13-09.)

(820 ILCS 405/2100) (from Ch. 48, par. 660)

Sec. 2100. Handling of funds - Bond - Accounts.

A. All contributions and payments in lieu of contributions collected under this Act, including but not limited to fund building receipts and receipts attributable to the surcharge established pursuant to Section 1506.5, together with any interest thereon; all penalties collected pursuant to this Act; any property or securities acquired through the use thereof; all moneys advanced to this State's account in the unemployment trust fund pursuant to the provisions of Title XII of the Social Security Act, as amended; all moneys directed for transfer from the Master Bond Fund or the Title XII Interest Fund to this State's account in the unemployment trust fund; all moneys received from the Federal government as reimbursements pursuant to Section 204 of the Federal-State Extended Unemployment Compensation Act of 1970, as amended; all moneys credited to this State's account in the unemployment trust fund pursuant to Section 903 of the Federal Social Security Act, as amended; all administrative fees collected from individuals pursuant to Section 900 or from employing units pursuant to Section 2206.1; and all earnings of such property or securities and any interest earned upon any such moneys shall be paid or turned over to and held by the Director, as ex-officio custodian of the clearing account, the unemployment trust fund account and the benefit account, and by the State Treasurer, as ex-officio custodian of the special administrative account, separate and apart from all public moneys or funds of this State, as hereinafter provided. Such moneys shall be administered by the Director exclusively for the purposes of this Act.

No such moneys shall be paid or expended except upon the direction of the Director in accordance with such regulations as he shall prescribe pursuant to the provisions of this Act.

The State Treasurer shall be liable on his general official bond for the faithful performance of his duties in connection with the moneys in the special administrative account provided for under this Act.

Such liability on his official bond shall exist in addition to the liability upon any separate bond given by him. All sums recovered for losses sustained by the account shall be deposited in that account.

The Director shall be liable on his general official bond for the faithful performance of his duties in connection with the moneys in the clearing account, the benefit account and unemployment trust fund account provided for under this Act. Such liability on his official bond shall exist in addition to the liability upon any separate bond given by him. All sums recovered for losses sustained by any one of the accounts shall be deposited in the account that sustained such loss.

The Treasurer shall maintain for such moneys a special administrative account. The Director shall maintain for such moneys 3 separate accounts: a clearing account, a benefit account and an unemployment trust fund account. All moneys payable under this Act (except moneys requisitioned from this State's account in the unemployment trust fund and deposited in the benefit account and moneys directed for deposit into the Special Programs Fund provided for under Section 2107), including but not limited to moneys directed for transfer from the Master Bond Fund or the Title XII Interest Fund to this State's account in the unemployment trust fund, upon receipt thereof by the Director, shall be immediately deposited in the clearing account; provided, however, that, except as is otherwise provided in this Section, interest and penalties shall not be deemed a part of the clearing account but shall be transferred immediately upon clearance thereof to the special administrative account; further provided that an amount not to exceed \$90,000,000 in payments attributable to the surcharge established pursuant to Section 1506.5, including any interest thereon, shall not be deemed a part of the clearing account but shall be transferred immediately upon clearance thereof to the Title XII Interest Fund.

After clearance thereof, all other moneys in the clearing account shall be immediately deposited by the Director with the Secretary of the Treasury of the United States of America to the credit of the account of this State in the unemployment trust fund, established and maintained pursuant to the Federal Social Security Act, as amended, except fund building receipts, which shall be deposited into the Master Bond Fund. The benefit account shall consist of all moneys requisitioned from this State's account in the unemployment trust fund. The moneys in the benefit account shall be expended in accordance with regulations prescribed by the Director and solely for the payment of benefits, refunds of contributions, interest and penalties under the provisions of the Act, the payment of health insurance in accordance with Section 410 of this Act, and the transfer or payment of funds to any Federal or State agency pursuant to reciprocal arrangements entered into by the Director under the provisions of Section 2700E, except that moneys credited to this State's account in the unemployment trust fund pursuant to Section 903 of the Federal Social Security Act, as amended, shall be used exclusively as provided in subsection B. For purposes of this Section only, to the extent allowed by applicable legal requirements, the payment of benefits includes but is not limited to the payment of principal on any bonds issued pursuant to the Illinois Unemployment Insurance Trust Fund Financing Act, exclusive of any interest or administrative expenses in connection with the bonds. The Director shall, from time to time, requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to the State's account therein, as he deems necessary solely for the payment of such benefits, refunds, and funds, for a reasonable future period. The Director, as ex-officio custodian of the benefit account, which shall be kept separate and apart from all other public moneys, shall issue payment of such benefits, refunds, health insurance and funds solely from the moneys so received into the benefit account. However, after January 1, 1987, no payment shall be drawn on such benefit account unless at the time of drawing there is sufficient money in the account to make the payment. The Director shall retain in the clearing account an amount of interest and penalties equal to the amount of interest and penalties to be refunded from the benefit account. After clearance thereof, the amount so retained shall be immediately deposited by the Director, as are all other moneys in the clearing account, with the Secretary of the Treasury of the United States. If, at any time, an insufficient amount of interest and penalties is available for retention in the clearing account, no refund of interest or penalties shall be made from the benefit account until a sufficient amount is available for retention and is so retained, or until the State Treasurer, upon the direction of the Director, transfers to the Director a sufficient amount from the special administrative account, for immediate deposit in the benefit account.

Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates of and may be utilized for authorized expenditures during succeeding periods, or, in the discretion of the Director, shall be redeposited with the Secretary of the Treasury of the United States to the credit of the State's account in the unemployment trust fund.

Moneys in the clearing, benefit and special administrative accounts shall not be commingled with other State funds but they shall be deposited as required by law and maintained in separate accounts on the books of a savings and loan association or bank.

No bank or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended.

B. Moneys credited to the account of this State in the unemployment trust fund by the Secretary of the Treasury of the United States pursuant to Section 903 of the Social Security Act may be requisitioned from this State's account and used as authorized by Section 903. Any interest required to be paid on advances under Title XII of the Social Security Act shall be paid in a timely manner and shall not be paid, directly or indirectly, by an equivalent reduction in contributions or payments in lieu of contributions from amounts in this State's account in the unemployment trust fund. Such moneys may be requisitioned and used for the payment of expenses incurred for the administration of this Act, but only pursuant to a specific appropriation by the General Assembly and only if the expenses are incurred and the moneys are requisitioned after the enactment of an appropriation law which:

1. Specifies the purpose or purposes for which such moneys are appropriated and the amount or amounts appropriated therefor;
2. Limits the period within which such moneys may be obligated to a period ending not more than 2 years after the date of the enactment of the appropriation law; and
3. Limits the amount which may be obligated during any fiscal year to an amount which does not exceed the amount by which (a) the aggregate of the amounts transferred to the account of this State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts used by this State pursuant to this Act and charged against the amounts transferred to the account of this State.

For purposes of paragraph (3) above, amounts obligated for administrative purposes pursuant to an appropriation shall be chargeable against transferred amounts at the exact time the obligation is entered into. The appropriation, obligation, and expenditure or other disposition of money appropriated under this subsection shall be accounted for in accordance with standards established by the United States Secretary of Labor.

Moneys appropriated as provided herein for the payment of expenses of administration shall be requisitioned by the Director as needed for the payment of obligations incurred under such appropriation. Upon requisition, such moneys shall be deposited with the State Treasurer, who shall hold such moneys, as ex-officio custodian thereof, in accordance with the requirements of Section 2103 and, upon the direction of the Director, shall make payments therefrom pursuant to such appropriation. Moneys so deposited shall, until expended, remain a part of the unemployment trust fund and, if any will not be expended, shall be returned promptly to the account of this State in the unemployment trust fund.

C. The Governor is authorized to apply to the United States Secretary of Labor for an advance or advances to this State's account in the unemployment trust fund pursuant to the conditions set forth in Title XII of the Federal Social Security Act, as amended. The amount of any such advance may be repaid from this State's account in the unemployment trust fund.

D. The Director shall annually on or before the first day of March report in writing to the Employment Security Advisory Board concerning the deposits into and expenditures from this State's account in the Unemployment Trust Fund.

(Source: P.A. 97-1, eff. 3-31-11.)

(820 ILCS 405/2203) (from Ch. 48, par. 683)

Sec. 2203. Service of notice-Place of hearing-By whom conducted.

Whenever service of notice is required by Sections 2200 or 2201, such notice shall be deemed to have been served when deposited with the United States certified or registered mail addressed to the employing unit at its principal place of business, or its last known place of business or residence, or may be served by any person of full age in the same manner as is provided by statute for service of process in civil cases. If represented by counsel in the proceedings before the Director, then service of notice may be made upon such employing unit by mailing same to such counsel. If agreed to by the person or entity entitled to notice, notice may be given and completed electronically, in the manner prescribed by rule, by posting the notice on a secure web site accessible to the person or entity and sending notice of the posting to the last known e-mail address of the person or entity. All hearings provided for in Sections 2200 and 2201 shall be held in the county wherein the employing unit has its principal place of business in this State, provided that if the employing unit has no principal place of business in this State, such hearing may be held in Cook County, provided, further, that such hearing may be held in any county designated by the Director if the petitioning employing unit shall consent thereto. The hearings shall be conducted by the Director or by any full-time employee of the Director, selected in accordance with the provisions of the "Personnel Code" enacted by the Sixty-Ninth General Assembly, by him designated. Such representative so designated by the Director shall have all powers given the Director by Sections

1000, 1002, and 1003 of this Act.

(Source: Laws 1957, p. 2667.)

(820 ILCS 405/2206.1) (from Ch. 48, par. 686.1)

Sec. 2206.1. In addition to the remedies provided by this Act, when an employing unit defaults in any payment or contribution required to be made to the State under the provisions of this Act, the Director may request the Comptroller to withhold the amount due in accordance with the provisions of Section 10.05 of the State Comptroller Act and the Director may request the Secretary of the Treasury to withhold the amount due to the extent allowed by and in accordance with Section 6402(f) of the federal Internal Revenue Code of 1986, as amended. Where the Director requests withholding by the Secretary of the Treasury pursuant to this Section, in addition to the amount of the payment otherwise owed by the employing unit, the employing unit shall be liable for any legally authorized administrative fee assessed by the Secretary, with such fee to be added to the amount to be withheld by the Secretary.

(Source: P.A. 83-1.)

(820 ILCS 405/2405 new)

Sec. 2405. Process: failure to file reports or make payments. The process available to the Department of Revenue pursuant to Section 3-7 of the Uniform Penalty and Interest Act with respect to an unpaid trust tax, interest, or penalties shall be available to the Department of Employment Security with respect to unpaid contributions, payments in lieu of contributions, penalties, and interest due pursuant to this Act where any officer or employee of the employer who has the control, supervision, or responsibility of filing wage or contribution reports and making payment of contributions or payments in lieu of contributions pursuant to this Act willfully fails to file the report or make the payment or willfully attempts in any other manner to evade or defeat a liability pursuant to this Act. For purposes of this Section, references to the Department or Director of Revenue in Section 3-7 of the Uniform Penalty and Interest Act shall be deemed to be references to the Department or Director of Employment Security. Procedures for protest and review of a notice of penalty liability under this Section shall be the same as those prescribed for protest and review of a determination and assessment under Section 2200.

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

AMENDMENT NO. 5 TO SENATE BILL 72

AMENDMENT NO. 5. Amend Senate Bill 72, AS AMENDED, with reference to page and line numbers of House Amendment No. 4, on page 52, line 23 by changing "2019" to "2018"; and

on page 52, line 26 by changing "2019" to "2018"; and

on page 53, line 3 by changing "2020" to "2019".

Under the rules, the foregoing **Senate Bill No. 72**, with House Amendments numbered 4 and 5, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 3865

A bill for AN ACT concerning the public employee benefits.

Passed the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

The foregoing **House Bill No. 3865** was taken up, ordered printed and placed on first reading.

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 2147

A bill for AN ACT concerning State government.

[November 9, 2011]

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

House Amendment No. 5 to SENATE BILL NO. 2147

House Amendment No. 7 to SENATE BILL NO. 2147

House Amendment No. 9 to SENATE BILL NO. 2147

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 5 TO SENATE BILL 2147

AMENDMENT NO. 5. Amend Senate Bill 2147 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Act on the Aging is amended by changing Section 4.02 as follows:
(20 ILCS 105/4.02) (from Ch. 23, par. 6104.02)

Sec. 4.02. Community Care Program. The Department shall establish a program of services to prevent unnecessary institutionalization of persons age 60 and older in need of long term care or who are established as persons who suffer from Alzheimer's disease or a related disorder under the Alzheimer's Disease Assistance Act, thereby enabling them to remain in their own homes or in other living arrangements. Such preventive services, which may be coordinated with other programs for the aged and monitored by area agencies on aging in cooperation with the Department, may include, but are not limited to, any or all of the following:

- (a) (blank);
- (b) (blank);
- (c) home care aide services;
- (d) personal assistant services;
- (e) adult day services;
- (f) home-delivered meals;
- (g) education in self-care;
- (h) personal care services;
- (i) adult day health services;
- (j) habilitation services;
- (k) respite care;
- (k-5) community reintegration services;
- (k-6) flexible senior services;
- (k-7) medication management;
- (k-8) emergency home response;
- (l) other nonmedical social services that may enable the person to become self-supporting; or
- (m) clearinghouse for information provided by senior citizen home owners who want to rent rooms to or share living space with other senior citizens.

The Department shall establish eligibility standards for such services. In determining the amount and nature of services for which a person may qualify, consideration shall not be given to the value of cash, property or other assets held in the name of the person's spouse pursuant to a written agreement dividing marital property into equal but separate shares or pursuant to a transfer of the person's interest in a home to his spouse, provided that the spouse's share of the marital property is not made available to the person seeking such services.

Beginning January 1, 2008, the Department shall require as a condition of eligibility that all new financially eligible applicants apply for and enroll in medical assistance under Article V of the Illinois Public Aid Code in accordance with rules promulgated by the Department.

The Department shall, in conjunction with the Department of Public Aid (now Department of Healthcare and Family Services), seek appropriate amendments under Sections 1915 and 1924 of the Social Security Act. The purpose of the amendments shall be to extend eligibility for home and community based services under Sections 1915 and 1924 of the Social Security Act to persons who transfer to or for the benefit of a spouse those amounts of income and resources allowed under Section 1924 of the Social Security Act. Subject to the approval of such amendments, the Department shall extend the provisions of Section 5-4 of the Illinois Public Aid Code to persons who, but for the provision of home or community-based services, would require the level of care provided in an institution, as is provided for in federal law. Those persons no longer found to be eligible for receiving noninstitutional

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services due to changes in the eligibility criteria shall be given 45 days notice prior to actual termination. Those persons receiving notice of termination may contact the Department and request the determination be appealed at any time during the 45 day notice period. The target population identified for the purposes of this Section are persons age 60 and older with an identified service need. Priority shall be given to those who are at imminent risk of institutionalization. The services shall be provided to eligible persons age 60 and older to the extent that the cost of the services together with the other personal maintenance expenses of the persons are reasonably related to the standards established for care in a group facility appropriate to the person's condition. These non-institutional services, pilot projects or experimental facilities may be provided as part of or in addition to those authorized by federal law or those funded and administered by the Department of Human Services. The Departments of Human Services, Healthcare and Family Services, Public Health, Veterans' Affairs, and Commerce and Economic Opportunity and other appropriate agencies of State, federal and local governments shall cooperate with the Department on Aging in the establishment and development of the non-institutional services. The Department shall require an annual audit from all personal assistant and home care aide vendors contracting with the Department under this Section. The annual audit shall assure that each audited vendor's procedures are in compliance with Department's financial reporting guidelines requiring an administrative and employee wage and benefits cost split as defined in administrative rules. The audit is a public record under the Freedom of Information Act. The Department shall execute, relative to the nursing home prescreening project, written inter-agency agreements with the Department of Human Services and the Department of Healthcare and Family Services, to effect the following: (1) intake procedures and common eligibility criteria for those persons who are receiving non-institutional services; and (2) the establishment and development of non-institutional services in areas of the State where they are not currently available or are undeveloped. On and after July 1, 1996, all nursing home prescreenings for individuals 60 years of age or older shall be conducted by the Department.

As part of the Department on Aging's routine training of case managers and case manager supervisors, the Department may include information on family futures planning for persons who are age 60 or older and who are caregivers of their adult children with developmental disabilities. The content of the training shall be at the Department's discretion.

The Department is authorized to establish a system of recipient copayment for services provided under this Section, such copayment to be based upon the recipient's ability to pay but in no case to exceed the actual cost of the services provided. Additionally, any portion of a person's income which is equal to or less than the federal poverty standard shall not be considered by the Department in determining the copayment. The level of such copayment shall be adjusted whenever necessary to reflect any change in the officially designated federal poverty standard.

The Department, or the Department's authorized representative, may recover the amount of moneys expended for services provided to or in behalf of a person under this Section by a claim against the person's estate or against the estate of the person's surviving spouse, but no recovery may be had until after the death of the surviving spouse, if any, and then only at such time when there is no surviving child who is under age 21, blind, or permanently and totally disabled. This paragraph, however, shall not bar recovery, at the death of the person, of moneys for services provided to the person or in behalf of the person under this Section to which the person was not entitled; provided that such recovery shall not be enforced against any real estate while it is occupied as a homestead by the surviving spouse or other dependent, if no claims by other creditors have been filed against the estate, or, if such claims have been filed, they remain dormant for failure of prosecution or failure of the claimant to compel administration of the estate for the purpose of payment. This paragraph shall not bar recovery from the estate of a spouse, under Sections 1915 and 1924 of the Social Security Act and Section 5-4 of the Illinois Public Aid Code, who precedes a person receiving services under this Section in death. All moneys for services paid to or in behalf of the person under this Section shall be claimed for recovery from the deceased spouse's estate. "Homestead", as used in this paragraph, means the dwelling house and contiguous real estate occupied by a surviving spouse or relative, as defined by the rules and regulations of the Department of Healthcare and Family Services, regardless of the value of the property.

The Department shall increase the effectiveness of the existing Community Care Program by:

(1) ensuring that in-home services included in the care plan are available on evenings and weekends;

(2) ensuring that care plans contain the services that eligible participants need based on the number of days in a month, not limited to specific blocks of time, as identified by the comprehensive assessment tool selected by the Department for use statewide, not to exceed the total monthly service cost maximum allowed for each service; the Department shall develop administrative rules to implement this item (2);

(3) ensuring that the participants have the right to choose the services contained in their care plan and to direct how those services are provided, based on administrative rules established by the Department;

(4) ensuring that the determination of need tool is accurate in determining the participants' level of need; to achieve this, the Department, in conjunction with the Older Adult Services Advisory Committee, shall institute a study of the relationship between the Determination of Need scores, level of need, service cost maximums, and the development and utilization of service plans no later than May 1, 2008; findings and recommendations shall be presented to the Governor and the General Assembly no later than January 1, 2009; recommendations shall include all needed changes to the service cost maximums schedule and additional covered services;

(5) ensuring that homemakers can provide personal care services that may or may not involve contact with clients, including but not limited to:

- (A) bathing;
- (B) grooming;
- (C) toileting;
- (D) nail care;
- (E) transferring;
- (F) respiratory services;
- (G) exercise; or
- (H) positioning;

(6) ensuring that homemaker program vendors are not restricted from hiring homemakers who are family members of clients or recommended by clients; the Department may not, by rule or policy, require homemakers who are family members of clients or recommended by clients to accept assignments in homes other than the client;

(7) ensuring that the State may access maximum federal matching funds by seeking approval for the Centers for Medicare and Medicaid Services for modifications to the State's home and community based services waiver and additional waiver opportunities in order to maximize federal matching funds; this shall include, but not be limited to, modification that reflects all changes in the Community Care Program services and all increases in the services cost maximum; and

(8) ensuring that the determination of need tool accurately reflects the service needs of individuals with Alzheimer's disease and related dementia disorders.

By January 1, 2009 or as soon after the end of the Cash and Counseling Demonstration

Project as is practicable, the Department may, based on its evaluation of the demonstration project, promulgate rules concerning personal assistant services, to include, but need not be limited to, qualifications, employment screening, rights under fair labor standards, training, fiduciary agent, and supervision requirements. All applicants shall be subject to the provisions of the Health Care Worker Background Check Act.

The Department shall develop procedures to enhance availability of services on evenings, weekends, and on an emergency basis to meet the respite needs of caregivers. Procedures shall be developed to permit the utilization of services in successive blocks of 24 hours up to the monthly maximum established by the Department. Workers providing these services shall be appropriately trained.

Beginning on the effective date of this Amendatory Act of 1991, no person may perform chore/housekeeping and home care aide services under a program authorized by this Section unless that person has been issued a certificate of pre-service to do so by his or her employing agency. Information gathered to effect such certification shall include (i) the person's name, (ii) the date the person was hired by his or her current employer, and (iii) the training, including dates and levels. Persons engaged in the program authorized by this Section before the effective date of this amendatory Act of 1991 shall be issued a certificate of all pre- and in-service training from his or her employer upon submitting the necessary information. The employing agency shall be required to retain records of all staff pre- and in-service training, and shall provide such records to the Department upon request and upon termination of the employer's contract with the Department. In addition, the employing agency is responsible for the issuance of certifications of in-service training completed to their employees.

The Department is required to develop a system to ensure that persons working as home care aides and personal assistants receive increases in their wages when the federal minimum wage is increased by requiring vendors to certify that they are meeting the federal minimum wage statute for home care aides and personal assistants. An employer that cannot ensure that the minimum wage increase is being given to home care aides and personal assistants shall be denied any increase in reimbursement costs.

The Community Care Program Advisory Committee is created in the Department on Aging. The Director shall appoint individuals to serve in the Committee, who shall serve at their own expense.

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Members of the Committee must abide by all applicable ethics laws. The Committee shall advise the Department on issues related to the Department's program of services to prevent unnecessary institutionalization. The Committee shall meet on a bi-monthly basis and shall serve to identify and advise the Department on present and potential issues affecting the service delivery network, the program's clients, and the Department and to recommend solution strategies. Persons appointed to the Committee shall be appointed on, but not limited to, their own and their agency's experience with the program, geographic representation, and willingness to serve. The Director shall appoint members to the Committee to represent provider, advocacy, policy research, and other constituencies committed to the delivery of high quality home and community-based services to older adults. Representatives shall be appointed to ensure representation from community care providers including, but not limited to, adult day service providers, homemaker providers, case coordination and case management units, emergency home response providers, statewide trade or labor unions that represent home care aides and direct care staff, area agencies on aging, adults over age 60, membership organizations representing older adults, and other organizational entities, providers of care, or individuals with demonstrated interest and expertise in the field of home and community care as determined by the Director.

Nominations may be presented from any agency or State association with interest in the program. The Director, or his or her designee, shall serve as the permanent co-chair of the advisory committee. One other co-chair shall be nominated and approved by the members of the committee on an annual basis. Committee members' terms of appointment shall be for 4 years with one-quarter of the appointees' terms expiring each year. A member shall continue to serve until his or her replacement is named. The Department shall fill vacancies that have a remaining term of over one year, and this replacement shall occur through the annual replacement of expiring terms. The Director shall designate Department staff to provide technical assistance and staff support to the committee. Department representation shall not constitute membership of the committee. All Committee papers, issues, recommendations, reports, and meeting memoranda are advisory only. The Director, or his or her designee, shall make a written report, as requested by the Committee, regarding issues before the Committee.

The Department on Aging and the Department of Human Services shall cooperate in the development and submission of an annual report on programs and services provided under this Section. Such joint report shall be filed with the Governor and the General Assembly on or before September 30 each year.

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

Those persons previously found eligible for receiving non-institutional services whose services were discontinued under the Emergency Budget Act of Fiscal Year 1992, and who do not meet the eligibility standards in effect on or after July 1, 1992, shall remain ineligible on and after July 1, 1992. Those persons previously not required to cost-share and who were required to cost-share effective March 1, 1992, shall continue to meet cost-share requirements on and after July 1, 1992. Beginning July 1, 1992, all clients will be required to meet eligibility, cost-share, and other requirements and will have services discontinued or altered when they fail to meet these requirements.

The Department shall pay an enhanced rate under the Community Care Program to those in-home service provider agencies that offer health insurance coverage as a benefit to their direct service worker employees consistent with the mandates of Public Act 95-713.

Notwithstanding any other eligibility rules in effect or subsequently promulgated by the Department, and consistent with the mandates of Public Act 95-713, vendors who receive or did receive an enhanced rate payment for the purpose of providing health insurance coverage to their employees by contributing to a Taft-Hartley welfare plan or other qualified self-funded health plan will be allowed to have such plans accumulate or have accumulated up to 6 months of enhanced rate payments prior to the actual provision of health insurance coverage to their direct service worker employees in order to be able to pay premiums, benefits, claims, or other attendant costs of such health coverage.

For the purposes of this Section, "flexible senior services" refers to services that require one-time or periodic expenditures including, but not limited to, respite care, home modification, assistive technology, housing assistance, and transportation.

(Source: P.A. 95-298, eff. 8-20-07; 95-473, eff. 8-27-07; 95-565, eff. 6-1-08; 95-876, eff. 8-21-08; 96-918, eff. 6-9-10; 96-1129, eff. 7-20-10; revised 9-2-10.)

Section 10. The Nursing Home Care Act is amended by changing Section 3-202.05 as follows:
(210 ILCS 45/3-202.05)

Sec. 3-202.05. Staffing ratios effective July 1, 2010 and thereafter.

(a) For the purpose of computing staff to resident ratios, direct care staff shall include:

- (1) registered nurses;
- (2) licensed practical nurses;
- (3) certified nurse assistants;
- (4) psychiatric services rehabilitation aides;
- (5) rehabilitation and therapy aides;
- (6) psychiatric services rehabilitation coordinators;
- (7) assistant directors of nursing;
- (8) 50% of the Director of Nurses' time; and
- (9) 30% of the Social Services Directors' time.

The Department shall, by rule, allow certain facilities subject to 77 Ill. Admin. Code 300.4000 and following (Subpart S) and 300.6000 and following (Subpart T) to utilize specialized clinical staff, as defined in rules, to count towards the staffing ratios.

(b) Beginning January 1, 2011, and thereafter, light intermediate care shall be staffed at the same staffing ratio as intermediate care.

(c) Facilities shall notify the Department within 60 days after the effective date of this amendatory Act of the 96th General Assembly, in a form and manner prescribed by the Department, of the staffing ratios in effect on the effective date of this amendatory Act of the 96th General Assembly for both intermediate and skilled care and the number of residents receiving each level of care.

(d)(1) Effective July 1, 2010, for each resident needing skilled care, a minimum staffing ratio of 2.5 hours of nursing and personal care each day must be provided; for each resident needing intermediate care, 1.7 hours of nursing and personal care each day must be provided.

(2) Effective January 1, 2011, the minimum staffing ratios shall be increased to 2.7 hours of nursing and personal care each day for a resident needing skilled care and 1.9 hours of nursing and personal care each day for a resident needing intermediate care.

(3) Effective January 1, 2012, the minimum staffing ratios shall be increased to 3.0 hours of nursing and personal care each day for a resident needing skilled care and 2.1 hours of nursing and personal care each day for a resident needing intermediate care.

(4) Effective January 1, 2013, the minimum staffing ratios shall be increased to 3.4 hours of nursing and personal care each day for a resident needing skilled care and 2.3 hours of nursing and personal care each day for a resident needing intermediate care.

(5) Effective January 1, 2014, the minimum staffing ratios shall be increased to 3.8 hours of nursing and personal care each day for a resident needing skilled care and 2.5 hours of nursing and personal care each day for a resident needing intermediate care.

(e) Staffing increases contained in paragraphs (3), (4), and (5) of subsection (d) shall be delayed for one year after the effective dates stated in the paragraphs, unless (i) the federal Centers for Medicare & Medicaid Services reviews and approves an appropriate State plan amendment containing the methodologies contained in Section 5-5.4 of the Illinois Public Aid Code and determines that the assessment imposed by Section 5B-2 of the Illinois Public Aid Code is a permissible tax under Title XIX of the Social Security Act or (ii) the State of Illinois identifies an alternative funding source, in which case the effective dates shall not be delayed. In the event that both this amendatory Act of the 97th General Assembly and Senate Bill 145 of the 97th General Assembly become law, the provisions under this subsection (e) shall not apply.

(Source: P.A. 96-1372, eff. 7-29-10; 96-1504, eff. 1-27-11.)

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

AMENDMENT NO. 7 TO SENATE BILL 2147

AMENDMENT NO. 7. Amend Senate Bill 2147, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The State Revenue Sharing Act is amended by changing Section 12 as follows:
(30 ILCS 115/12) (from Ch. 85, par. 616)

Sec. 12. Personal Property Tax Replacement Fund. There is hereby created the Personal Property Tax Replacement Fund, a special fund in the State Treasury into which shall be paid all revenue realized:

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(a) all amounts realized from the additional personal property tax replacement income tax imposed by subsections (c) and (d) of Section 201 of the Illinois Income Tax Act, except for those amounts deposited into the Income Tax Refund Fund pursuant to subsection (c) of Section 901 of the Illinois Income Tax Act; and

(b) all amounts realized from the additional personal property replacement invested capital taxes imposed by Section 2a.1 of the Messages Tax Act, Section 2a.1 of the Gas Revenue Tax Act, Section 2a.1 of the Public Utilities Revenue Act, and Section 3 of the Water Company Invested Capital Tax Act, and amounts payable to the Department of Revenue under the Telecommunications Infrastructure Maintenance Fee Act.

As soon as may be after the end of each month, the Department of Revenue shall certify to the Treasurer and the Comptroller the amount of all refunds paid out of the General Revenue Fund through the preceding month on account of overpayment of liability on taxes paid into the Personal Property Tax Replacement Fund. Upon receipt of such certification, the Treasurer and the Comptroller shall transfer the amount so certified from the Personal Property Tax Replacement Fund into the General Revenue Fund.

The payments of revenue into the Personal Property Tax Replacement Fund shall be used exclusively for distribution to taxing districts, regional offices and officials, and local officials as provided in this Section and in the School Code, payment of the ordinary and contingent expenses of the Property Tax Appeal Board, payment of the expenses of the Department of Revenue incurred in administering the collection and distribution of monies paid into the Personal Property Tax Replacement Fund and transfers due to refunds to taxpayers for overpayment of liability for taxes paid into the Personal Property Tax Replacement Fund.

As soon as may be after the effective date of this amendatory Act of 1980, the Department of Revenue shall certify to the Treasurer the amount of net replacement revenue paid into the General Revenue Fund prior to that effective date from the additional tax imposed by Section 2a.1 of the Messages Tax Act; Section 2a.1 of the Gas Revenue Tax Act; Section 2a.1 of the Public Utilities Revenue Act; Section 3 of the Water Company Invested Capital Tax Act; amounts collected by the Department of Revenue under the Telecommunications Infrastructure Maintenance Fee Act; and the additional personal property tax replacement income tax imposed by the Illinois Income Tax Act, as amended by Public Act 81-1st Special Session-1. Net replacement revenue shall be defined as the total amount paid into and remaining in the General Revenue Fund as a result of those Acts minus the amount outstanding and obligated from the General Revenue Fund in state vouchers or warrants prior to the effective date of this amendatory Act of 1980 as refunds to taxpayers for overpayment of liability under those Acts.

All interest earned by monies accumulated in the Personal Property Tax Replacement Fund shall be deposited in such Fund. All amounts allocated pursuant to this Section are appropriated on a continuing basis.

Prior to December 31, 1980, as soon as may be after the end of each quarter beginning with the quarter ending December 31, 1979, and on and after December 31, 1980, as soon as may be after January 1, March 1, April 1, May 1, July 1, August 1, October 1 and December 1 of each year, the Department of Revenue shall allocate to each taxing district as defined in Section 1-150 of the Property Tax Code, in accordance with the provisions of paragraph (2) of this Section the portion of the funds held in the Personal Property Tax Replacement Fund which is required to be distributed, as provided in paragraph (1), for each quarter. Provided, however, under no circumstances shall any taxing district during each of the first two years of distribution of the taxes imposed by this amendatory Act of 1979 be entitled to an annual allocation which is less than the funds such taxing district collected from the 1978 personal property tax. Provided further that under no circumstances shall any taxing district during the third year of distribution of the taxes imposed by this amendatory Act of 1979 receive less than 60% of the funds such taxing district collected from the 1978 personal property tax. In the event that the total of the allocations made as above provided for all taxing districts, during either of such 3 years, exceeds the amount available for distribution the allocation of each taxing district shall be proportionately reduced. Except as provided in Section 13 of this Act, the Department shall then certify, pursuant to appropriation, such allocations to the State Comptroller who shall pay over to the several taxing districts the respective amounts allocated to them.

Any township which receives an allocation based in whole or in part upon personal property taxes which it levied pursuant to Section 6-507 or 6-512 of the Illinois Highway Code and which was previously required to be paid over to a municipality shall immediately pay over to that municipality a proportionate share of the personal property replacement funds which such township receives.

Any municipality or township, other than a municipality with a population in excess of 500,000, which receives an allocation based in whole or in part on personal property taxes which it levied

pursuant to Sections 3-1, 3-4 and 3-6 of the Illinois Local Library Act and which was previously required to be paid over to a public library shall immediately pay over to that library a proportionate share of the personal property tax replacement funds which such municipality or township receives; provided that if such a public library has converted to a library organized under The Illinois Public Library District Act, regardless of whether such conversion has occurred on, after or before January 1, 1988, such proportionate share shall be immediately paid over to the library district which maintains and operates the library. However, any library that has converted prior to January 1, 1988, and which hitherto has not received the personal property tax replacement funds, shall receive such funds commencing on January 1, 1988.

Any township which receives an allocation based in whole or in part on personal property taxes which it levied pursuant to Section 1c of the Public Graveyards Act and which taxes were previously required to be paid over to or used for such public cemetery or cemeteries shall immediately pay over to or use for such public cemetery or cemeteries a proportionate share of the personal property tax replacement funds which the township receives.

Any taxing district which receives an allocation based in whole or in part upon personal property taxes which it levied for another governmental body or school district in Cook County in 1976 or for another governmental body or school district in the remainder of the State in 1977 shall immediately pay over to that governmental body or school district the amount of personal property replacement funds which such governmental body or school district would receive directly under the provisions of paragraph (2) of this Section, had it levied its own taxes.

(1) The portion of the Personal Property Tax Replacement Fund required to be distributed as of the time allocation is required to be made shall be the amount available in such Fund as of the time allocation is required to be made.

The amount available for distribution shall be the total amount in the fund at such time minus the necessary administrative and other authorized expenses as limited by the appropriation and the amount determined by: (a) \$2.8 million for fiscal year 1981; (b) for fiscal year 1982, .54% of the funds distributed from the fund during the preceding fiscal year; (c) for fiscal year 1983 through fiscal year 1988, .54% of the funds distributed from the fund during the preceding fiscal year less .02% of such fund for fiscal year 1983 and less .02% of such funds for each fiscal year thereafter; (d) for fiscal year 1989 through fiscal year 2011 no more than 105% of the actual administrative expenses of the prior fiscal year; or (e) for fiscal year 2012 and beyond, a sufficient amount to pay (i) stipends, additional compensation, salary reimbursements, and other amounts directed to be paid out of this Fund for local and regional offices and government officials as authorized or required by statute and (ii) no more than 105% of the actual administrative expenses of the prior fiscal year, including payment of the ordinary and contingent expenses of the Property Tax Appeal Board and payment of the expenses of the Department of Revenue incurred in administering the collection and distribution of moneys paid into the Fund. Such portion of the fund shall be determined after the transfer into the General Revenue Fund due to refunds, if any, paid from the General Revenue Fund during the preceding quarter. If at any time, for any reason, there is insufficient amount in the Personal Property Tax Replacement Fund for payments for regional offices and officials or local officials or payment of costs of administration or for transfers due to refunds at the end of any particular month, the amount of such insufficiency shall be carried over for the purposes of payments for regional offices and officials, local officials, transfers into the General Revenue Fund, and ~~for purposes of~~ costs of administration to the following month or months. Net replacement revenue held, and defined above, shall be transferred by the Treasurer and Comptroller to the Personal Property Tax Replacement Fund within 10 days of such certification.

(2) Each quarterly allocation shall first be apportioned in the following manner: 51.65%

for taxing districts in Cook County and 48.35% for taxing districts in the remainder of the State.

The Personal Property Replacement Ratio of each taxing district outside Cook County shall be the ratio which the Tax Base of that taxing district bears to the Downstate Tax Base. The Tax Base of each taxing district outside of Cook County is the personal property tax collections for that taxing district for the 1977 tax year. The Downstate Tax Base is the personal property tax collections for all taxing districts in the State outside of Cook County for the 1977 tax year. The Department of Revenue shall have authority to review for accuracy and completeness the personal property tax collections for each taxing district outside Cook County for the 1977 tax year.

The Personal Property Replacement Ratio of each Cook County taxing district shall be the ratio which the Tax Base of that taxing district bears to the Cook County Tax Base. The Tax Base of each Cook County taxing district is the personal property tax collections for that taxing district for the 1976 tax year. The Cook County Tax Base is the personal property tax collections for all taxing districts in Cook

County for the 1976 tax year. The Department of Revenue shall have authority to review for accuracy and completeness the personal property tax collections for each taxing district within Cook County for the 1976 tax year.

For all purposes of this Section 12, amounts paid to a taxing district for such tax years as may be applicable by a foreign corporation under the provisions of Section 7-202 of the Public Utilities Act, as amended, shall be deemed to be personal property taxes collected by such taxing district for such tax years as may be applicable. The Director shall determine from the Illinois Commerce Commission, for any tax year as may be applicable, the amounts so paid by any such foreign corporation to any and all taxing districts. The Illinois Commerce Commission shall furnish such information to the Director. For all purposes of this Section 12, the Director shall deem such amounts to be collected personal property taxes of each such taxing district for the applicable tax year or years.

Taxing districts located both in Cook County and in one or more other counties shall receive both a Cook County allocation and a Downstate allocation determined in the same way as all other taxing districts.

If any taxing district in existence on July 1, 1979 ceases to exist, or discontinues its operations, its Tax Base shall thereafter be deemed to be zero. If the powers, duties and obligations of the discontinued taxing district are assumed by another taxing district, the Tax Base of the discontinued taxing district shall be added to the Tax Base of the taxing district assuming such powers, duties and obligations.

If two or more taxing districts in existence on July 1, 1979, or a successor or successors thereto shall consolidate into one taxing district, the Tax Base of such consolidated taxing district shall be the sum of the Tax Bases of each of the taxing districts which have consolidated.

If a single taxing district in existence on July 1, 1979, or a successor or successors thereto shall be divided into two or more separate taxing districts, the tax base of the taxing district so divided shall be allocated to each of the resulting taxing districts in proportion to the then current equalized assessed value of each resulting taxing district.

If a portion of the territory of a taxing district is disconnected and annexed to another taxing district of the same type, the Tax Base of the taxing district from which disconnection was made shall be reduced in proportion to the then current equalized assessed value of the disconnected territory as compared with the then current equalized assessed value within the entire territory of the taxing district prior to disconnection, and the amount of such reduction shall be added to the Tax Base of the taxing district to which annexation is made.

If a community college district is created after July 1, 1979, beginning on the effective date of this amendatory Act of 1995, its Tax Base shall be 3.5% of the sum of the personal property tax collected for the 1977 tax year within the territorial jurisdiction of the district.

The amounts allocated and paid to taxing districts pursuant to the provisions of this amendatory Act of 1979 shall be deemed to be substitute revenues for the revenues derived from taxes imposed on personal property pursuant to the provisions of the "Revenue Act of 1939" or "An Act for the assessment and taxation of private car line companies", approved July 22, 1943, as amended, or Section 414 of the Illinois Insurance Code, prior to the abolition of such taxes and shall be used for the same purposes as the revenues derived from ad valorem taxes on real estate.

Monies received by any taxing districts from the Personal Property Tax Replacement Fund shall be first applied toward payment of the proportionate amount of debt service which was previously levied and collected from extensions against personal property on bonds outstanding as of December 31, 1978 and next applied toward payment of the proportionate share of the pension or retirement obligations of the taxing district which were previously levied and collected from extensions against personal property. For each such outstanding bond issue, the County Clerk shall determine the percentage of the debt service which was collected from extensions against real estate in the taxing district for 1978 taxes payable in 1979, as related to the total amount of such levies and collections from extensions against both real and personal property. For 1979 and subsequent years' taxes, the County Clerk shall levy and extend taxes against the real estate of each taxing district which will yield the said percentage or percentages of the debt service on such outstanding bonds. The balance of the amount necessary to fully pay such debt service shall constitute a first and prior lien upon the monies received by each such taxing district through the Personal Property Tax Replacement Fund and shall be first applied or set aside for such purpose. In counties having fewer than 3,000,000 inhabitants, the amendments to this paragraph as made by this amendatory Act of 1980 shall be first applicable to 1980 taxes to be collected in 1981. (Source: P.A. 96-45, eff. 7-15-09; 97-72, eff. 7-1-11.)

Section 10. The Counties Code is amended by changing Sections 4-6001 and 4-8002 as follows:
(55 ILCS 5/4-6001) (from Ch. 34, par. 4-6001)

[November 9, 2011]

Sec. 4-6001. Officers in counties of less than 2,000,000.

(a) In all counties of less than 2,000,000 inhabitants, the compensation of Coroners, County Treasurers, County Clerks, Recorders and Auditors shall be determined under this Section. The County Board in those counties shall fix the amount of the necessary clerk hire, stationery, fuel and other expenses of those officers. The compensation of those officers shall be separate from the necessary clerk hire, stationery, fuel and other expenses, and such compensation (except for coroners in those counties with less than 2,000,000 population in which the coroner's compensation is set in accordance with Section 4-6002) shall be fixed within the following limits:

To each such officer in counties containing less than 14,000 inhabitants, not less than \$13,500 per annum.

To each such officer in counties containing 14,000 or more inhabitants, but less than 30,000 inhabitants, not less than \$14,500 per annum.

To each such officer in counties containing 30,000 or more inhabitants but less than 60,000 inhabitants, not less than \$15,000 per annum.

To each such officer in counties containing 60,000 or more inhabitants but less than 100,000 inhabitants, not less than \$15,000 per annum.

To each such officer in counties containing 100,000 or more inhabitants but less than 200,000 inhabitants, not less than \$16,500 per annum.

To each such officer in counties containing 200,000 or more inhabitants but less than 300,000 inhabitants, not less than \$18,000 per annum.

To each such officer in counties containing 300,000 or more inhabitants but less than 2,000,000 inhabitants, not less than \$20,000 per annum.

(b) Those officers beginning a term of office before December 1, 1990 shall be compensated at the rate of their base salary. "Base salary" is the compensation paid for each of those offices, respectively, before July 1, 1989.

(c) Those officers beginning a term of office on or after December 1, 1990 shall be compensated as follows:

(1) Beginning December 1, 1990, base salary plus at least 3% of base salary.

(2) Beginning December 1, 1991, base salary plus at least 6% of base salary.

(3) Beginning December 1, 1992, base salary plus at least 9% of base salary.

(4) Beginning December 1, 1993, base salary plus at least 12% of base salary.

(d) In addition to but separate and apart from the compensation provided in this Section, the county clerk of each county, the recorder of each county, and the chief clerk of each county board of election commissioners shall receive an award as follows:

(1) \$4,500 per year after January 1, 1998;

(2) \$5,500 per year after January 1, 1999; and

(3) \$6,500 per year after January 1, 2000.

The total amount required for such awards each year shall be appropriated by the General Assembly from the Personal Property Tax Replacement Fund to the State Board of Elections which shall distribute the awards in annual lump sum payments to the several county clerks, recorders, and chief election clerks. Beginning December 1, 1990, this annual award, and any other award or stipend paid out of State funds to county officers, shall not affect any other compensation provided by law to be paid to county officers.

(e) Beginning December 1, 1990, no county board may reduce or otherwise impair the compensation payable from county funds to a county officer if the reduction or impairment is the result of the county officer receiving an award or stipend payable from State funds.

(f) The compensation, necessary clerk hire, stationery, fuel and other expenses of the county auditor, as fixed by the county board, shall be paid by the county.

(g) The population of all counties for the purpose of fixing compensation, as herein provided, shall be based upon the last Federal census immediately previous to the election of the officer in question in each county.

(h) With respect to an auditor who takes office on or after the effective date of this amendatory Act of the 95th General Assembly, the auditor shall receive an annual stipend of \$6,500 per year. The General Assembly shall appropriate the total amount required for the stipend each year from the Personal Property Tax Replacement Fund to the Department of Revenue, and the Department of Revenue shall distribute the awards in an annual lump sum payment to each county auditor. The stipend shall be in addition to, but separate and apart from, the compensation provided in this Section. No county board may reduce or otherwise impair the compensation payable from county funds to the auditor if the reduction or impairment is the result of the auditor receiving an award or stipend pursuant to this

subsection.

(Source: P.A. 97-72, eff. 7-1-11.)

(55 ILCS 5/4-8002) (from Ch. 34, par. 4-8002)

Sec. 4-8002. Additional compensation of sheriff and recorder.

(a) In addition to any salary otherwise provided by law, beginning December 1, 1998, subject to appropriation, the sheriff of Cook County for his or her additional duties imposed by other statutes or laws shall receive an annual stipend to be paid by the Illinois Department of Revenue out of the Personal Property Tax Replacement Fund in the amount of \$6,500. The county board shall not reduce or otherwise impair the compensation payable from county funds to the sheriff if the reduction or impairment is the result of the sheriff receiving a stipend payable from State funds.

(b) In addition to any salary otherwise provided by law, beginning December 1, 2000, subject to appropriation, the recorder of deeds of Cook County for his or her additional duties imposed by law shall receive an annual stipend to be paid by the ~~State Illinois Department of Revenue~~ out of the Personal Property Tax Replacement Fund in an amount equal to the stipend paid to each recorder in other counties under subsection (d) of Section 4-6001 of this Code. The county board may not reduce or otherwise impair the compensation payable from county funds to the recorder of deeds if the reduction or impairment is the result of the recorder of deeds receiving a stipend payable from State funds.

(Source: P.A. 97-72, eff. 7-1-11.)

Section 15. The School Code is amended by changing Sections 2-3.62, 3-2.5, 3-15.10, and 18-5 as follows:

(105 ILCS 5/2-3.62) (from Ch. 122, par. 2-3.62)

Sec. 2-3.62. Educational Service Centers.

(a) A regional network of educational service centers shall be established by the State Board of Education to coordinate and combine existing services in a manner which is practical and efficient and to provide new services to schools as provided in this Section. Services to be made available by such centers shall include the planning, implementation and evaluation of:

- (1) (blank);
- (2) computer technology education;
- (3) mathematics, science and reading resources for teachers including continuing education, inservice training and staff development.

The centers may provide training, technical assistance, coordination and planning in other program areas such as school improvement, school accountability, financial planning, consultation, and services, career guidance, early childhood education, alcohol/drug education and prevention, family life - sex education, electronic transmission of data from school districts to the State, alternative education and regional special education, and telecommunications systems that provide distance learning. Such telecommunications systems may be obtained through the Department of Central Management Services pursuant to Section 405-270 of the Department of Central Management Services Law (20 ILCS 405/405-270). The programs and services of educational service centers may be offered to private school teachers and private school students within each service center area provided public schools have already been afforded adequate access to such programs and services.

Upon the abolition of the office, removal from office, disqualification for office, resignation from office, or expiration of the current term of office of the regional superintendent of schools, whichever is earlier, centers serving that portion of a Class II county school unit outside of a city of 500,000 or more inhabitants shall have and exercise, in and with respect to each educational service region having a population of 2,000,000 or more inhabitants and in and with respect to each school district located in any such educational service region, all of the rights, powers, duties, and responsibilities theretofore vested by law in and exercised and performed by the regional superintendent of schools for that area under the provisions of this Code or any other laws of this State.

The State Board of Education shall promulgate rules and regulations necessary to implement this Section. The rules shall include detailed standards which delineate the scope and specific content of programs to be provided by each Educational Service Center, as well as the specific planning, implementation and evaluation services to be provided by each Center relative to its programs. The Board shall also provide the standards by which it will evaluate the programs provided by each Center.

(b) Centers serving Class 1 county school units shall be governed by an 11-member board, 3 members of which shall be public school teachers nominated by the local bargaining representatives to the appropriate regional superintendent for appointment and no more than 3 members of which shall be from each of the following categories, including but not limited to superintendents, regional superintendents, school board members and a representative of an institution of higher education. The members of the

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board shall be appointed by the regional superintendents whose school districts are served by the educational service center. The composition of the board will reflect the revisions of this amendatory Act of 1989 as the terms of office of current members expire.

(c) The centers shall be of sufficient size and number to assure delivery of services to all local school districts in the State.

(d) From monies appropriated for this program the State Board of Education shall provide grants paid from the Personal Property Tax Replacement Fund to qualifying Educational Service Centers applying for such grants in accordance with rules and regulations promulgated by the State Board of Education to implement this Section.

(e) The governing authority of each of the 18 regional educational service centers shall appoint a family life - sex education advisory board consisting of 2 parents, 2 teachers, 2 school administrators, 2 school board members, 2 health care professionals, one library system representative, and the director of the regional educational service center who shall serve as chairperson of the advisory board so appointed. Members of the family life - sex education advisory boards shall serve without compensation. Each of the advisory boards appointed pursuant to this subsection shall develop a plan for regional teacher-parent family life - sex education training sessions and shall file a written report of such plan with the governing board of their regional educational service center. The directors of each of the regional educational service centers shall thereupon meet, review each of the reports submitted by the advisory boards and combine those reports into a single written report which they shall file with the Citizens Council on School Problems prior to the end of the regular school term of the 1987-1988 school year.

(f) The 14 educational service centers serving Class I county school units shall be disbanded on the first Monday of August, 1995, and their statutory responsibilities and programs shall be assumed by the regional offices of education, subject to rules and regulations developed by the State Board of Education. The regional superintendents of schools elected by the voters residing in all Class I counties shall serve as the chief administrators for these programs and services. By rule of the State Board of Education, the 10 educational service regions of lowest population shall provide such services under cooperative agreements with larger regions.

(Source: P.A. 96-893, eff. 7-1-10.)

(105 ILCS 5/3-2.5)

Sec. 3-2.5. Salaries.

(a) Except as otherwise provided in this Section, the regional superintendents of schools shall receive for their services an annual salary according to the population, as determined by the last preceding federal census, of the region they serve, as set out in the following schedule:

SALARIES OF REGIONAL SUPERINTENDENTS OF SCHOOLS

POPULATION OF REGION	ANNUAL SALARY
Less than 48,000	\$73,500
48,000 to 99,999	\$78,000
100,000 to 999,999	\$81,500
1,000,000 and over	\$83,500

The changes made by Public Act 86-98 in the annual salary that the regional superintendents of schools shall receive for their services shall apply to the annual salary received by the regional superintendents of schools during each of their elected terms of office that commence after July 26, 1989 and before the first Monday of August, 1995.

The changes made by Public Act 89-225 in the annual salary that regional superintendents of schools shall receive for their services shall apply to the annual salary received by the regional superintendents of schools during their elected terms of office that commence after August 4, 1995 and end on August 1, 1999.

The changes made by this amendatory Act of the 91st General Assembly in the annual salary that the regional superintendents of schools shall receive for their services shall apply to the annual salary received by the regional superintendents of schools during each of their elected terms of office that commence on or after August 2, 1999.

Beginning July 1, 2000, the salary that the regional superintendent of schools receives for his or her services shall be adjusted annually to reflect the percentage increase, if any, in the most recent Consumer Price Index, as defined and officially reported by the United States Department of Labor, Bureau of Labor Statistics, except that no annual increment may exceed 2.9%. If the percentage of change in the Consumer Price Index is a percentage decrease, the salary that the regional superintendent of schools receives shall not be adjusted for that year.

When regional superintendents are authorized by the School Code to appoint assistant regional

superintendents, the assistant regional superintendent shall receive an annual salary based on his or her qualifications and computed as a percentage of the salary of the regional superintendent to whom he or she is assistant, as set out in the following schedule:

SALARIES OF ASSISTANT REGIONAL SUPERINTENDENTS

QUALIFICATIONS OF ASSISTANT REGIONAL SUPERINTENDENT	PERCENTAGE OF SALARY OF REGIONAL SUPERINTENDENT
No Bachelor's degree, but State certificate valid for teaching and supervising.	70%
Bachelor's degree plus State certificate valid for supervising.	75%
Master's degree plus State certificate valid for supervising.	90%

However, in any region in which the appointment of more than one assistant regional superintendent is authorized, whether by Section 3-15.10 of this Code or otherwise, not more than one assistant may be compensated at the 90% rate and any other assistant shall be paid at not exceeding the 75% rate, in each case depending on the qualifications of the assistant.

The salaries provided in this Section plus an amount for other employment-related compensation or benefits for regional superintendents and assistant regional superintendents are payable monthly by the State Board of Education out of the Personal Property Tax Replacement Fund through a specific appropriation to that effect in the State Board of Education budget. The State Comptroller in making his or her warrant to any county for the amount due it from the Personal Property Tax Replacement Fund shall deduct from it the several amounts for which warrants have been issued to the regional superintendent, and any assistant regional superintendent, of the educational service region encompassing the county since the preceding apportionment from the Personal Property Tax Replacement Fund.

County boards may provide for additional compensation for the regional superintendent or the assistant regional superintendents, or for each of them, to be paid quarterly from the county treasury.

(b) Upon abolition of the office of regional superintendent of schools in educational service regions containing 2,000,000 or more inhabitants as provided in Section 3-0.01 of this Code, the funds provided under subsection (a) of this Section shall continue to be appropriated and reallocated, as provided for pursuant to subsection (b) of Section 3-0.01 of this Code, to the educational service centers established pursuant to Section 2-3.62 of this Code for an educational service region containing 2,000,000 or more inhabitants.

(c) If the State pays all or any portion of the employee contributions required under Section 16-152 of the Illinois Pension Code for employees of the State Board of Education, it shall also, subject to appropriation in the State Board of Education budget for such payments to Regional Superintendents and Assistant Regional Superintendents, pay the employee contributions required of regional superintendents of schools and assistant regional superintendents of schools on the same basis, but excluding any contributions based on compensation that is paid by the county rather than the State.

This subsection (c) applies to contributions based on payments of salary earned after the effective date of this amendatory Act of the 91st General Assembly, except that in the case of an elected regional superintendent of schools, this subsection does not apply to contributions based on payments of salary earned during a term of office that commenced before the effective date of this amendatory Act.

(Source: P.A. 96-893, eff. 7-1-10; 96-1086, eff. 7-16-10; 97-333, eff. 8-12-11.)

(105 ILCS 5/3-15.10) (from Ch. 122, par. 3-15.10)

Sec. 3-15.10. Assistant Regional Superintendent. To employ, in counties or regions of 2,000,000 inhabitants or less, in addition to any assistants authorized to be employed with the approval of the county board, an assistant regional superintendent of schools who shall be a person of good attainment, versed in the principles and methods of education, and qualified to teach and supervise schools under Article 21 of this Act; to fix the term of such assistant and direct his work and define his duties. On the effective date of this amendatory Act of the 96th General Assembly, in regions established within that portion of a Class II county school unit outside of a city of 500,000 or more inhabitants, the employment of all persons serving as assistant county or regional superintendents of schools is terminated, the position of assistant regional superintendent of schools in each such region is abolished, and this Section shall, beginning on the effective date of this amendatory Act of the 96th General Assembly, have no

further application in the educational service region. Assistant regional superintendents shall each be a person of good attainment, versed in the principles and methods of education, and qualified to teach and supervise schools under Article 21 of this Act. The work of such assistant regional superintendent shall be so arranged and directed that the county or regional superintendent and assistant superintendent, together, shall devote an amount of time during the school year, equal to at least the full time of one individual, to the supervision of schools and of teaching in the schools of the county.

A regional superintendent of schools shall not employ his or her spouse, child, stepchild, or relative as an assistant regional superintendent of schools. By September 1 each year, a regional superintendent shall certify to the State Board of Education that he or she has complied with this paragraph. If the State Board of Education becomes aware of the fact that a regional superintendent is employing his or her spouse, child, stepchild, or relative as an assistant regional superintendent, the State Board of Education shall report this information to the Governor and the Comptroller, and the State Board of Education shall not request for payment from the State Comptroller any warrants for the payment of the assistant regional superintendent's salary or other employment-related compensation or benefits. In this paragraph, "relative" means a grandparent, parent, aunt, uncle, sibling, first cousin, nephew, niece, grandchild, or spouse of one of these persons. This paragraph applies only to contracts for employment entered into on or after the effective date of this amendatory Act of the 91st General Assembly.

(Source: P.A. 96-893, eff. 7-1-10.)

(105 ILCS 5/18-5) (from Ch. 122, par. 18-5)

Sec. 18-5. Compensation of regional superintendents and assistants. The State Board of Education shall request an appropriation payable from the Personal Property Tax Replacement Fund or the common school fund as and for compensation for regional superintendents of schools and the assistant regional superintendents of schools authorized by Section 3-15.10 of this Act, and as provided in "An Act concerning fees and salaries and to classify the several counties of this State with reference thereto", approved March 29, 1872 as amended, and shall present vouchers to the Comptroller monthly for the payment to the several regional superintendents and such assistant regional superintendents of their compensation as fixed by law. Such payments shall be made either (1) monthly, at the close of the month, or (2) semimonthly on or around the 15th of the month and at the close of the month, at the option of the regional superintendent or assistant regional superintendent.

(Source: P.A. 83-686.)

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

AMENDMENT NO. 9 TO SENATE BILL 2147

AMENDMENT NO. 9. Amend Senate Bill 2147, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The State Revenue Sharing Act is amended by changing Section 12 as follows:

(30 ILCS 115/12) (from Ch. 85, par. 616)

Sec. 12. Personal Property Tax Replacement Fund. There is hereby created the Personal Property Tax Replacement Fund, a special fund in the State Treasury into which shall be paid all revenue realized:

(a) all amounts realized from the additional personal property tax replacement income tax imposed by subsections (c) and (d) of Section 201 of the Illinois Income Tax Act, except for those amounts deposited into the Income Tax Refund Fund pursuant to subsection (c) of Section 901 of the Illinois Income Tax Act; and

(b) all amounts realized from the additional personal property replacement invested capital taxes imposed by Section 2a.1 of the Messages Tax Act, Section 2a.1 of the Gas Revenue Tax Act, Section 2a.1 of the Public Utilities Revenue Act, and Section 3 of the Water Company Invested Capital Tax Act, and amounts payable to the Department of Revenue under the Telecommunications Infrastructure Maintenance Fee Act.

As soon as may be after the end of each month, the Department of Revenue shall certify to the Treasurer and the Comptroller the amount of all refunds paid out of the General Revenue Fund through the preceding month on account of overpayment of liability on taxes paid into the Personal Property Tax Replacement Fund. Upon receipt of such certification, the Treasurer and the Comptroller shall transfer the amount so certified from the Personal Property Tax Replacement Fund into the General Revenue Fund.

The payments of revenue into the Personal Property Tax Replacement Fund shall be used exclusively for distribution to taxing districts, regional offices and officials for fiscal year 2012, and local officials as provided in this Section and in the School Code, payment of the ordinary and contingent expenses of the

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Property Tax Appeal Board, payment of the expenses of the Department of Revenue incurred in administering the collection and distribution of monies paid into the Personal Property Tax Replacement Fund and transfers due to refunds to taxpayers for overpayment of liability for taxes paid into the Personal Property Tax Replacement Fund.

As soon as may be after the effective date of this amendatory Act of 1980, the Department of Revenue shall certify to the Treasurer the amount of net replacement revenue paid into the General Revenue Fund prior to that effective date from the additional tax imposed by Section 2a.1 of the Messages Tax Act; Section 2a.1 of the Gas Revenue Tax Act; Section 2a.1 of the Public Utilities Revenue Act; Section 3 of the Water Company Invested Capital Tax Act; amounts collected by the Department of Revenue under the Telecommunications Infrastructure Maintenance Fee Act; and the additional personal property tax replacement income tax imposed by the Illinois Income Tax Act, as amended by Public Act 81-1st Special Session-1. Net replacement revenue shall be defined as the total amount paid into and remaining in the General Revenue Fund as a result of those Acts minus the amount outstanding and obligated from the General Revenue Fund in state vouchers or warrants prior to the effective date of this amendatory Act of 1980 as refunds to taxpayers for overpayment of liability under those Acts.

All interest earned by monies accumulated in the Personal Property Tax Replacement Fund shall be deposited in such Fund. All amounts allocated pursuant to this Section are appropriated on a continuing basis.

Prior to December 31, 1980, as soon as may be after the end of each quarter beginning with the quarter ending December 31, 1979, and on and after December 31, 1980, as soon as may be after January 1, March 1, April 1, May 1, July 1, August 1, October 1 and December 1 of each year, the Department of Revenue shall allocate to each taxing district as defined in Section 1-150 of the Property Tax Code, in accordance with the provisions of paragraph (2) of this Section the portion of the funds held in the Personal Property Tax Replacement Fund which is required to be distributed, as provided in paragraph (1), for each quarter. Provided, however, under no circumstances shall any taxing district during each of the first two years of distribution of the taxes imposed by this amendatory Act of 1979 be entitled to an annual allocation which is less than the funds such taxing district collected from the 1978 personal property tax. Provided further that under no circumstances shall any taxing district during the third year of distribution of the taxes imposed by this amendatory Act of 1979 receive less than 60% of the funds such taxing district collected from the 1978 personal property tax. In the event that the total of the allocations made as above provided for all taxing districts, during either of such 3 years, exceeds the amount available for distribution the allocation of each taxing district shall be proportionately reduced. Except as provided in Section 13 of this Act, the Department shall then certify, pursuant to appropriation, such allocations to the State Comptroller who shall pay over to the several taxing districts the respective amounts allocated to them.

Any township which receives an allocation based in whole or in part upon personal property taxes which it levied pursuant to Section 6-507 or 6-512 of the Illinois Highway Code and which was previously required to be paid over to a municipality shall immediately pay over to that municipality a proportionate share of the personal property replacement funds which such township receives.

Any municipality or township, other than a municipality with a population in excess of 500,000, which receives an allocation based in whole or in part on personal property taxes which it levied pursuant to Sections 3-1, 3-4 and 3-6 of the Illinois Local Library Act and which was previously required to be paid over to a public library shall immediately pay over to that library a proportionate share of the personal property tax replacement funds which such municipality or township receives; provided that if such a public library has converted to a library organized under The Illinois Public Library District Act, regardless of whether such conversion has occurred on, after or before January 1, 1988, such proportionate share shall be immediately paid over to the library district which maintains and operates the library. However, any library that has converted prior to January 1, 1988, and which hitherto has not received the personal property tax replacement funds, shall receive such funds commencing on January 1, 1988.

Any township which receives an allocation based in whole or in part on personal property taxes which it levied pursuant to Section 1c of the Public Graveyards Act and which taxes were previously required to be paid over to or used for such public cemetery or cemeteries shall immediately pay over to or use for such public cemetery or cemeteries a proportionate share of the personal property tax replacement funds which the township receives.

Any taxing district which receives an allocation based in whole or in part upon personal property taxes which it levied for another governmental body or school district in Cook County in 1976 or for another governmental body or school district in the remainder of the State in 1977 shall immediately pay over to that governmental body or school district the amount of personal property replacement funds which such

governmental body or school district would receive directly under the provisions of paragraph (2) of this Section, had it levied its own taxes.

(1) The portion of the Personal Property Tax Replacement Fund required to be distributed as of the time allocation is required to be made shall be the amount available in such Fund as of the time allocation is required to be made.

The amount available for distribution shall be the total amount in the fund at such time minus the necessary administrative and other authorized expenses as limited by the appropriation and the amount determined by: (a) \$2.8 million for fiscal year 1981; (b) for fiscal year 1982, .54% of the funds distributed from the fund during the preceding fiscal year; (c) for fiscal year 1983 through fiscal year 1988, .54% of the funds distributed from the fund during the preceding fiscal year less .02% of such fund for fiscal year 1983 and less .02% of such funds for each fiscal year thereafter; (d) for fiscal year 1989 through fiscal year 2011 no more than 105% of the actual administrative expenses of the prior fiscal year; ~~or~~ (e) for fiscal year 2012 and beyond, a sufficient amount to pay (i) stipends, additional compensation, salary reimbursements, and other amounts directed to be paid out of this Fund for local ~~government~~ officials as authorized or required by statute and (ii) no more than 105% of the actual administrative expenses of the prior fiscal year, including payment of the ordinary and contingent expenses of the Property Tax Appeal Board and payment of the expenses of the Department of Revenue incurred in administering the collection and distribution of moneys paid into the Fund ; or (f) for fiscal year 2012 only, a sufficient amount to pay stipends, additional compensation, salary reimbursements, and other amounts directed to be paid out of this Fund for regional offices and officials as authorized or required by statute. Such portion of the fund shall be determined after the transfer into the General Revenue Fund due to refunds, if any, paid from the General Revenue Fund during the preceding quarter. If at any time, for any reason, there is insufficient amount in the Personal Property Tax Replacement Fund for payments for regional offices and officials or local officials or payment of costs of administration or for transfers due to refunds at the end of any particular month, the amount of such insufficiency shall be carried over for the purposes of payments for regional offices and officials, local officials, transfers into the General Revenue Fund, and ~~for purposes of~~ costs of administration to the following month or months. Net replacement revenue held, and defined above, shall be transferred by the Treasurer and Comptroller to the Personal Property Tax Replacement Fund within 10 days of such certification.

(2) Each quarterly allocation shall first be apportioned in the following manner: 51.65%

for taxing districts in Cook County and 48.35% for taxing districts in the remainder of the State.

The Personal Property Replacement Ratio of each taxing district outside Cook County shall be the ratio which the Tax Base of that taxing district bears to the Downstate Tax Base. The Tax Base of each taxing district outside of Cook County is the personal property tax collections for that taxing district for the 1977 tax year. The Downstate Tax Base is the personal property tax collections for all taxing districts in the State outside of Cook County for the 1977 tax year. The Department of Revenue shall have authority to review for accuracy and completeness the personal property tax collections for each taxing district outside Cook County for the 1977 tax year.

The Personal Property Replacement Ratio of each Cook County taxing district shall be the ratio which the Tax Base of that taxing district bears to the Cook County Tax Base. The Tax Base of each Cook County taxing district is the personal property tax collections for that taxing district for the 1976 tax year. The Cook County Tax Base is the personal property tax collections for all taxing districts in Cook County for the 1976 tax year. The Department of Revenue shall have authority to review for accuracy and completeness the personal property tax collections for each taxing district within Cook County for the 1976 tax year.

For all purposes of this Section 12, amounts paid to a taxing district for such tax years as may be applicable by a foreign corporation under the provisions of Section 7-202 of the Public Utilities Act, as amended, shall be deemed to be personal property taxes collected by such taxing district for such tax years as may be applicable. The Director shall determine from the Illinois Commerce Commission, for any tax year as may be applicable, the amounts so paid by any such foreign corporation to any and all taxing districts. The Illinois Commerce Commission shall furnish such information to the Director. For all purposes of this Section 12, the Director shall deem such amounts to be collected personal property taxes of each such taxing district for the applicable tax year or years.

Taxing districts located both in Cook County and in one or more other counties shall receive both a Cook County allocation and a Downstate allocation determined in the same way as all other taxing districts.

If any taxing district in existence on July 1, 1979 ceases to exist, or discontinues its operations, its Tax Base shall thereafter be deemed to be zero. If the powers, duties and obligations of the discontinued

taxing district are assumed by another taxing district, the Tax Base of the discontinued taxing district shall be added to the Tax Base of the taxing district assuming such powers, duties and obligations.

If two or more taxing districts in existence on July 1, 1979, or a successor or successors thereto shall consolidate into one taxing district, the Tax Base of such consolidated taxing district shall be the sum of the Tax Bases of each of the taxing districts which have consolidated.

If a single taxing district in existence on July 1, 1979, or a successor or successors thereto shall be divided into two or more separate taxing districts, the tax base of the taxing district so divided shall be allocated to each of the resulting taxing districts in proportion to the then current equalized assessed value of each resulting taxing district.

If a portion of the territory of a taxing district is disconnected and annexed to another taxing district of the same type, the Tax Base of the taxing district from which disconnection was made shall be reduced in proportion to the then current equalized assessed value of the disconnected territory as compared with the then current equalized assessed value within the entire territory of the taxing district prior to disconnection, and the amount of such reduction shall be added to the Tax Base of the taxing district to which annexation is made.

If a community college district is created after July 1, 1979, beginning on the effective date of this amendatory Act of 1995, its Tax Base shall be 3.5% of the sum of the personal property tax collected for the 1977 tax year within the territorial jurisdiction of the district.

The amounts allocated and paid to taxing districts pursuant to the provisions of this amendatory Act of 1979 shall be deemed to be substitute revenues for the revenues derived from taxes imposed on personal property pursuant to the provisions of the "Revenue Act of 1939" or "An Act for the assessment and taxation of private car line companies", approved July 22, 1943, as amended, or Section 414 of the Illinois Insurance Code, prior to the abolition of such taxes and shall be used for the same purposes as the revenues derived from ad valorem taxes on real estate.

Monies received by any taxing districts from the Personal Property Tax Replacement Fund shall be first applied toward payment of the proportionate amount of debt service which was previously levied and collected from extensions against personal property on bonds outstanding as of December 31, 1978 and next applied toward payment of the proportionate share of the pension or retirement obligations of the taxing district which were previously levied and collected from extensions against personal property. For each such outstanding bond issue, the County Clerk shall determine the percentage of the debt service which was collected from extensions against real estate in the taxing district for 1978 taxes payable in 1979, as related to the total amount of such levies and collections from extensions against both real and personal property. For 1979 and subsequent years' taxes, the County Clerk shall levy and extend taxes against the real estate of each taxing district which will yield the said percentage or percentages of the debt service on such outstanding bonds. The balance of the amount necessary to fully pay such debt service shall constitute a first and prior lien upon the monies received by each such taxing district through the Personal Property Tax Replacement Fund and shall be first applied or set aside for such purpose. In counties having fewer than 3,000,000 inhabitants, the amendments to this paragraph as made by this amendatory Act of 1980 shall be first applicable to 1980 taxes to be collected in 1981. (Source: P.A. 96-45, eff. 7-15-09; 97-72, eff. 7-1-11.)

Section 10. The Counties Code is amended by changing Section 4-8002 as follows:

(55 ILCS 5/4-8002) (from Ch. 34, par. 4-8002)

Sec. 4-8002. Additional compensation of sheriff and recorder.

(a) In addition to any salary otherwise provided by law, beginning December 1, 1998, subject to appropriation, the sheriff of Cook County for his or her additional duties imposed by other statutes or laws shall receive an annual stipend to be paid by the Illinois Department of Revenue out of the Personal Property Tax Replacement Fund in the amount of \$6,500. The county board shall not reduce or otherwise impair the compensation payable from county funds to the sheriff if the reduction or impairment is the result of the sheriff receiving a stipend payable from State funds.

(b) In addition to any salary otherwise provided by law, beginning December 1, 2000, subject to appropriation, the recorder of deeds of Cook County for his or her additional duties imposed by law shall receive an annual stipend to be paid by the ~~State Illinois Department of Revenue out of the Personal Property Tax Replacement Fund~~ in an amount equal to the stipend paid to each recorder in other counties under subsection (d) of Section 4-6001 of this Code. The county board may not reduce or otherwise impair the compensation payable from county funds to the recorder of deeds if the reduction or impairment is the result of the recorder of deeds receiving a stipend payable from State funds.

(Source: P.A. 97-72, eff. 7-1-11.)

Section 15. The School Code is amended by changing Sections 2-3.62, 3-2.5, 3-15.10, and 18-5 and by adding Section 3A-18 as follows:

(105 ILCS 5/2-3.62) (from Ch. 122, par. 2-3.62)

Sec. 2-3.62. Educational Service Centers.

(a) A regional network of educational service centers shall be established by the State Board of Education to coordinate and combine existing services in a manner which is practical and efficient and to provide new services to schools as provided in this Section. Services to be made available by such centers shall include the planning, implementation and evaluation of:

- (1) (blank);
- (2) computer technology education;
- (3) mathematics, science and reading resources for teachers including continuing education, inservice training and staff development.

The centers may provide training, technical assistance, coordination and planning in other program areas such as school improvement, school accountability, financial planning, consultation, and services, career guidance, early childhood education, alcohol/drug education and prevention, family life - sex education, electronic transmission of data from school districts to the State, alternative education and regional special education, and telecommunications systems that provide distance learning. Such telecommunications systems may be obtained through the Department of Central Management Services pursuant to Section 405-270 of the Department of Central Management Services Law (20 ILCS 405/405-270). The programs and services of educational service centers may be offered to private school teachers and private school students within each service center area provided public schools have already been afforded adequate access to such programs and services.

Upon the abolition of the office, removal from office, disqualification for office, resignation from office, or expiration of the current term of office of the regional superintendent of schools, whichever is earlier, centers serving that portion of a Class II county school unit outside of a city of 500,000 or more inhabitants shall have and exercise, in and with respect to each educational service region having a population of 2,000,000 or more inhabitants and in and with respect to each school district located in any such educational service region, all of the rights, powers, duties, and responsibilities theretofore vested by law in and exercised and performed by the regional superintendent of schools for that area under the provisions of this Code or any other laws of this State.

The State Board of Education shall promulgate rules and regulations necessary to implement this Section. The rules shall include detailed standards which delineate the scope and specific content of programs to be provided by each Educational Service Center, as well as the specific planning, implementation and evaluation services to be provided by each Center relative to its programs. The Board shall also provide the standards by which it will evaluate the programs provided by each Center.

(b) Centers serving Class 1 county school units shall be governed by an 11-member board, 3 members of which shall be public school teachers nominated by the local bargaining representatives to the appropriate regional superintendent for appointment and no more than 3 members of which shall be from each of the following categories, including but not limited to superintendents, regional superintendents, school board members and a representative of an institution of higher education. The members of the board shall be appointed by the regional superintendents whose school districts are served by the educational service center. The composition of the board will reflect the revisions of this amendatory Act of 1989 as the terms of office of current members expire.

(c) The centers shall be of sufficient size and number to assure delivery of services to all local school districts in the State.

(d) From monies appropriated for this program the State Board of Education shall provide grants paid from the Personal Property Tax Replacement Fund for fiscal year 2012 only, and from the General Revenue Fund for fiscal year 2013 and beyond to qualifying Educational Service Centers applying for such grants in accordance with rules and regulations promulgated by the State Board of Education to implement this Section.

(e) The governing authority of each of the 18 regional educational service centers shall appoint a family life - sex education advisory board consisting of 2 parents, 2 teachers, 2 school administrators, 2 school board members, 2 health care professionals, one library system representative, and the director of the regional educational service center who shall serve as chairperson of the advisory board so appointed. Members of the family life - sex education advisory boards shall serve without compensation. Each of the advisory boards appointed pursuant to this subsection shall develop a plan for regional teacher-parent family life - sex education training sessions and shall file a written report of such plan with the governing board of their regional educational service center. The directors of each of the regional educational service centers shall thereupon meet, review each of the reports submitted by the

advisory boards and combine those reports into a single written report which they shall file with the Citizens Council on School Problems prior to the end of the regular school term of the 1987-1988 school year.

(f) The 14 educational service centers serving Class I county school units shall be disbanded on the first Monday of August, 1995, and their statutory responsibilities and programs shall be assumed by the regional offices of education, subject to rules and regulations developed by the State Board of Education. The regional superintendents of schools elected by the voters residing in all Class I counties shall serve as the chief administrators for these programs and services. By rule of the State Board of Education, the 10 educational service regions of lowest population shall provide such services under cooperative agreements with larger regions.

(Source: P.A. 96-893, eff. 7-1-10.)

(105 ILCS 5/3-2.5)

Sec. 3-2.5. Salaries.

(a) Except as otherwise provided in this Section, the regional superintendents of schools shall receive for their services an annual salary according to the population, as determined by the last preceding federal census, of the region they serve, as set out in the following schedule:

SALARIES OF REGIONAL SUPERINTENDENTS OF SCHOOLS

POPULATION OF REGION	ANNUAL SALARY
Less than 48,000	\$73,500
48,000 to 99,999	\$78,000
100,000 to 999,999	\$81,500
1,000,000 and over	\$83,500

The changes made by Public Act 86-98 in the annual salary that the regional superintendents of schools shall receive for their services shall apply to the annual salary received by the regional superintendents of schools during each of their elected terms of office that commence after July 26, 1989 and before the first Monday of August, 1995.

The changes made by Public Act 89-225 in the annual salary that regional superintendents of schools shall receive for their services shall apply to the annual salary received by the regional superintendents of schools during their elected terms of office that commence after August 4, 1995 and end on August 1, 1999.

The changes made by this amendatory Act of the 91st General Assembly in the annual salary that the regional superintendents of schools shall receive for their services shall apply to the annual salary received by the regional superintendents of schools during each of their elected terms of office that commence on or after August 2, 1999.

Beginning July 1, 2000, the salary that the regional superintendent of schools receives for his or her services shall be adjusted annually to reflect the percentage increase, if any, in the most recent Consumer Price Index, as defined and officially reported by the United States Department of Labor, Bureau of Labor Statistics, except that no annual increment may exceed 2.9%. If the percentage of change in the Consumer Price Index is a percentage decrease, the salary that the regional superintendent of schools receives shall not be adjusted for that year.

When regional superintendents are authorized by the School Code to appoint assistant regional superintendents, the assistant regional superintendent shall receive an annual salary based on his or her qualifications and computed as a percentage of the salary of the regional superintendent to whom he or she is assistant, as set out in the following schedule:

SALARIES OF ASSISTANT REGIONAL SUPERINTENDENTS

QUALIFICATIONS OF ASSISTANT REGIONAL SUPERINTENDENT	PERCENTAGE OF SALARY OF REGIONAL SUPERINTENDENT
No Bachelor's degree, but State certificate valid for teaching and supervising.	70%
Bachelor's degree plus State certificate valid for supervising.	75%
Master's degree plus State certificate valid for supervising.	90%

However, in any region in which the appointment of more than one assistant regional superintendent is authorized, whether by Section 3-15.10 of this Code or otherwise, not more than one assistant may be

compensated at the 90% rate and any other assistant shall be paid at not exceeding the 75% rate, in each case depending on the qualifications of the assistant.

The salaries provided in this Section plus an amount for other employment-related compensation or benefits for regional superintendents and assistant regional superintendents are payable monthly by the State Board of Education out of the Personal Property Tax Replacement Fund through a specific appropriation to that effect in the State Board of Education budget for the fiscal year 2012 only, and are payable monthly from the Common School Fund for fiscal year 2013 and beyond through a specific appropriation to that effect in the State Board of Education budget. The State Comptroller in making his or her warrant to any county for the amount due it from the Personal Property Tax Replacement Fund for the fiscal year 2012 only, and from the Common School Fund for fiscal year 2013 and beyond shall deduct from it the several amounts for which warrants have been issued to the regional superintendent, and any assistant regional superintendent, of the educational service region encompassing the county since the preceding apportionment from the Personal Property Tax Replacement Fund for the fiscal year 2012 only, and from the Common School Fund for fiscal year 2013 and beyond.

County boards may provide for additional compensation for the regional superintendent or the assistant regional superintendents, or for each of them, to be paid quarterly from the county treasury.

(b) Upon abolition of the office of regional superintendent of schools in educational service regions containing 2,000,000 or more inhabitants as provided in Section 3-0.01 of this Code, the funds provided under subsection (a) of this Section shall continue to be appropriated and reallocated, as provided for pursuant to subsection (b) of Section 3-0.01 of this Code, to the educational service centers established pursuant to Section 2-3.62 of this Code for an educational service region containing 2,000,000 or more inhabitants.

(c) If the State pays all or any portion of the employee contributions required under Section 16-152 of the Illinois Pension Code for employees of the State Board of Education, it shall also, subject to appropriation in the State Board of Education budget for such payments to Regional Superintendents and Assistant Regional Superintendents, pay the employee contributions required of regional superintendents of schools and assistant regional superintendents of schools on the same basis, but excluding any contributions based on compensation that is paid by the county rather than the State.

This subsection (c) applies to contributions based on payments of salary earned after the effective date of this amendatory Act of the 91st General Assembly, except that in the case of an elected regional superintendent of schools, this subsection does not apply to contributions based on payments of salary earned during a term of office that commenced before the effective date of this amendatory Act.

(Source: P.A. 96-893, eff. 7-1-10; 96-1086, eff. 7-16-10; 97-333, eff. 8-12-11.)

(105 ILCS 5/3-15.10) (from Ch. 122, par. 3-15.10)

Sec. 3-15.10. Assistant Regional Superintendent. To employ, in counties or regions of 2,000,000 inhabitants or less, in addition to any assistants authorized to be employed with the approval of the county board, an assistant regional superintendent of schools who shall be a person of good attainment, versed in the principles and methods of education, and qualified to teach and supervise schools under Article 21 of this Act; to fix the term of such assistant and direct his work and define his duties. On the effective date of this amendatory Act of the 96th General Assembly, in regions established within that portion of a Class II county school unit outside of a city of 500,000 or more inhabitants, the employment of all persons serving as assistant county or regional superintendents of schools is terminated, the position of assistant regional superintendent of schools in each such region is abolished, and this Section shall, beginning on the effective date of this amendatory Act of the 96th General Assembly, have no further application in the educational service region. Assistant regional superintendents shall each be a person of good attainment, versed in the principles and methods of education, and qualified to teach and supervise schools under Article 21 of this Act. The work of such assistant regional superintendent shall be so arranged and directed that the county or regional superintendent and assistant superintendent, together, shall devote an amount of time during the school year, equal to at least the full time of one individual, to the supervision of schools and of teaching in the schools of the county.

A regional superintendent of schools shall not employ his or her spouse, child, stepchild, or relative as an assistant regional superintendent of schools. By September 1 each year, a regional superintendent shall certify to the State Board of Education that he or she has complied with this paragraph. If the State Board of Education becomes aware of the fact that a regional superintendent is employing his or her spouse, child, stepchild, or relative as an assistant regional superintendent, the State Board of Education shall report this information to the Governor and the Comptroller, and the State Board of Education shall not request for payment from the State Comptroller any warrants for the payment of the assistant regional superintendent's salary or other employment-related compensation or benefits. In this paragraph, "relative" means a grandparent, parent, aunt, uncle, sibling, first cousin, nephew, niece,

grandchild, or spouse of one of these persons. This paragraph applies only to contracts for employment entered into on or after the effective date of this amendatory Act of the 91st General Assembly.

(Source: P.A. 96-893, eff. 7-1-10.)

(105 ILCS 5/3A-18 new)

Sec. 3A-18. Streamlining Illinois' Regional Offices of Education Commission.

(a) Recognizing the virtue of the regional offices of education in that locally elected public servants are working closely with local school boards and superintendents and in partnership with the State Board of Education, and in an effort to deliver these educational services more efficiently and effectively, there is hereby established the Streamlining Illinois' Regional Offices of Education Commission. The Commission shall explore and examine all duties of the State Board of Education and all regional offices of education and intermediate service centers, as well as the boundaries of the educational service regions as defined in this Article, in order to determine which duties and responsibilities should be provided regionally to more appropriately and efficiently deliver services and whether the boundaries of the education service regions can be expanded to streamline the regional offices of education. The Commission shall ensure that its recommendations include specifics as to the necessary funding to carry out identified responsibilities.

(b) The Commission shall consist of all of the following voting members:

(1) One person appointed by the Governor, who shall serve as chairperson of the Commission.

(2) One member appointed by the President of the Senate.

(3) One member appointed by the Minority Leader of the Senate.

(4) One member appointed by the Speaker of the House of Representatives.

(5) One member appointed by the Minority Leader of the House of Representatives.

(6) One member appointed by an association representing regional superintendents of schools.

(7) One member appointed by an association representing school boards.

(8) One member appointed by an association representing school administrators.

(9) One member appointed by an association representing school business officials.

(10) One member appointed by each of 2 statewide associations representing teachers.

(11) One member from an intermediate service center appointed by the State Superintendent of Education.

(12) One district superintendent from an urban school district appointed by the State Superintendent of Education.

(13) One district superintendent from a rural school district appointed by the State Superintendent of Education.

(14) One representative from the State Board of Education appointed by the State Superintendent of Education.

Members appointed by the legislative leaders shall be appointed for the duration of the Commission; in the event of a vacancy, the appointment to fill the vacancy shall be made by the legislative leader of the same house and party as the leader who made the original appointment.

(c) The Commission may begin to conduct business upon the appointment of a majority of the voting members.

(d) The State Board of Education shall be the agency responsible for providing staff and administrative support to the Commission.

(e) Members of the Commission shall receive no compensation for their participation, but may be reimbursed by the State Board of Education for expenses in connection with their participation, including travel, if funds are available.

(f) The Commission shall submit a final report of its findings and recommendations to the Governor and the General Assembly on or before August 1, 2012. The Commission may submit other reports as it deems appropriate.

(g) The Commission is abolished on August 2, 2012, and this Section is repealed on August 2, 2012.

(105 ILCS 5/18-5) (from Ch. 122, par. 18-5)

Sec. 18-5. Compensation of regional superintendents and assistants. The State Board of Education shall request an appropriation payable from the Personal Property Tax Replacement Fund for fiscal year 2012 only, and the common school fund for fiscal year 2013 and beyond as and for compensation for regional superintendents of schools and the assistant regional superintendents of schools authorized by Section 3-15.10 of this Act, and as provided in "An Act concerning fees and salaries and to classify the several counties of this State with reference thereto", approved March 29, 1872 as amended, and shall present vouchers to the Comptroller monthly for the payment to the several regional superintendents and such assistant regional superintendents of their compensation as fixed by law. Such payments shall be made either (1) monthly, at the close of the month, or (2) semimonthly on or around the 15th of the

month and at the close of the month, at the option of the regional superintendent or assistant regional superintendent.

(Source: P.A. 83-686.)

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

Under the rules, the foregoing **Senate Bill No. 2147**, with House Amendments numbered 5, 7 and 9, was referred to the Secretary's Desk.

JOINT ACTION MOTIONS FILED

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

Motion to Concur in House Amendments 1, 2, 3 and 4 to Senate Bill 40
 Motion to Concur in House Amendments 4 and 5 to Senate Bill 72
 Motion to Concur in House Amendment 2 to Senate Bill 92
 Motion to Concur in House Amendments 2 and 3 to Senate Bill 1226
 Motion to Concur in House Amendment 1 to Senate Bill 1377
 Motion to Concur in House Amendment 2 to Senate Bill 1640
 Motion to Concur in House Amendment 1 to Senate Bill 1701
 Motion to Concur in House Amendments 1 and 2 to Senate Bill 1750
 Motion to Concur in House Amendments 5, 7 and 9 to Senate Bill 2147
 Motion to Concur in House Amendment 1 to Senate Bill 2188

READING BILL FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 3865, sponsored by Senator Garrett, was taken up, read by title a first time and referred to the Committee on Assignments.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Hunter, **Senate Bill No. 2502** 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 58; NAYS None.

The following voted in the affirmative:

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

[November 9, 2011]

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

At the hour of 3:16 o'clock p.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 3:25 o'clock p.m. the Senate resumed consideration of business.
Senator Crotty, presiding.

REPORTS FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported the following Resolutions have been assigned to the indicated Standing Committees of the Senate:

Education: **House Joint Resolutions Numbered 41 and 42.**

Executive: **Senate Resolution No. 438.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported the following House Bill has been assigned to the indicated Standing Committee of the Senate:

Local Government: **House Bill No. 508.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported the following Legislative Measure has been assigned to the indicated Standing Committee of the Senate:

Pensions and Investments: **Senate Floor Amendment No. 2 to House Bill 3375.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committees of the Senate:

Education: **Motion to Concur in House Amendments 2 and 3 to Senate Bill 1226**

Human Services: **Motion to Concur in House Amendment 1 to Senate Bill 1377**

Labor: **Motion to Concur in House Amendments 4 and 5 to Senate Bill 72**

Local Government: **Motion to Concur in House Amendment 2 to Senate Bill 92**

State Government and Veterans Affairs:

Motion to Concur in House Amendments 1, 2, 3 and 4 to Senate Bill 40

Motion to Concur in House Amendment 2 to Senate Bill 1640

Motion to Concur in House Amendments 1 and 2 to Senate Bill 1750

[November 9, 2011]

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported the following Legislative Measure has been assigned to the indicated Standing Committee of the Senate:

Education: **Motion to Accept Specific Recommendations for Change to HOUSE BILL 190.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported that the Committee recommends that **House Bill No. 588** be re-referred from the Committee on Local Government to the Committee on Executive.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported that the Committee recommends that **Senate Floor Amendment No. 4 to Senate Bill No. 747** be re-referred from the Committee on Executive to the Committee on Assignments.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported that the following Legislative Measures have been approved for consideration:

Senate Floor Amendment No. 2 to House Bill 3813
Senate Floor Amendment No. 2 to House Bill 3815

The foregoing floor amendments were placed on the Secretary's Desk.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported that the following Legislative Measure has been approved for consideration:

Senate Floor Amendment No. 4 to Senate Bill 747

The foregoing floor amendment was placed on the Secretary's Desk.

POSTING NOTICES WAIVED

Senator Harmon moved to waive the six-day posting requirement on **House Bill No. 588** so that the bill may be heard in the Committee on Executive that is scheduled to meet November 10, 2011.

The motion prevailed.

Senator Schmidt moved to waive the six-day posting requirement on **House Bill No. 508** so that the bill may be heard in the Committee on Local Government that is scheduled to meet November 10, 2011.

The motion prevailed.

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

On motion of Senator Steans, **Senate Bill No. 1335**, with House Amendment No. 2 on the Secretary's Desk, was taken up for immediate consideration.

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

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

YEAS 57; NAYS None.

The following voted in the affirmative:

[November 9, 2011]

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

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 2 to **Senate Bill No. 1335**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Millner, **Senate Bill No. 1697**, with House Amendment No. 2 on the Secretary's Desk, was taken up for immediate consideration.

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

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

YEAS 40; NAYS 13.

The following voted in the affirmative:

Althoff	Holmes	Luechtefeld	Schoenberg
Bomke	Hunter	Maloney	Silverstein
Clayborne	Hutchinson	Martinez	Steans
Collins, J.	Jacobs	Meeks	Sullivan
Crotty	Johnson, T.	Millner	Trotter
Delgado	Jones, E.	Mulroe	Wilhelmi
Dillard	Koehler	Muñoz	Mr. President
Frerichs	Kotowski	Noland	
Garrett	Landek	Raoul	
Haine	Lightford	Sandack	
Harmon	Link	Sandoval	

The following voted in the negative:

Bivins	Johnson, C.	McCann	Syverson
Brady	Jones, J.	McCarter	
Cultra	LaHood	Pankau	
Duffy	Lauzen	Radogno	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 2 to **Senate Bill No. 1697**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Lightford, **Senate Bill No. 1795**, with House Amendments numbered 3 and 4 on the Secretary's Desk, was taken up for immediate consideration.

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

[November 9, 2011]

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

YEAS 58; NAYS None.

The following voted in the affirmative:

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

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 3 and 4 to **Senate Bill No. 1795**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

CONSIDERATION OF RESOLUTION ON SECRETARY'S DESK

Senator Hutchinson moved that **House Joint Resolution No. 35**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Hutchinson moved that House Joint Resolution No. 35 be adopted.

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

YEAS 51; NAYS None.

The following voted in the affirmative:

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

The motion prevailed.

And the resolution was adopted.

Ordered that the Secretary inform the House of Representatives thereof.

CONSIDERATION OF HOUSE BILL VETOED BY THE GOVERNOR

Pursuant to the Motion in Writing filed on Thursday, October 27, 2011 and journalized Tuesday, November 8, 2011, Senator Steans moved that **House Bill No. 1659** do pass, the specific recommendations of the Governor to the contrary notwithstanding.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the Secretary inform the House of Representatives thereof.

SENATE BILL RECALLED

On motion of Senator Steans, **Senate Bill No. 348** 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 348

AMENDMENT NO. 1. Amend Senate Bill 348 by replacing everything after the enacting clause with the following:

"Section 5. The State Finance Act is amended by changing Section 8.8 as follows:
(30 ILCS 105/8.8) (from Ch. 127, par. 144.8)

Sec. 8.8. Appropriations for the improvement, development, addition or expansion of services for the care, treatment, and training of persons who are intellectually disabled or subject to involuntary admission under the Mental Health and Developmental Disabilities Code or for the financing of any program designed to provide such improvement, development, addition or expansion of services or for expenses associated with providing services to other units of government under Section 5-107.2 of the Mental Health and Developmental Disabilities Code ~~incurred in administering the provisions of Sections 5-105 to 5-115, inclusive, of the Mental Health and Developmental Disabilities Code~~, or other ordinary and contingent expenses of the Department of Human Services relating to mental health and developmental disabilities, are payable from the Mental Health Fund. However, no expenditures shall be made for the purchase, construction, lease, or rental of buildings for use as State-operated mental health or developmental disability facilities.

(Source: P.A. 96-959, eff. 7-1-10; 97-227, eff. 1-1-12.)"

The motion prevailed.

And the amendment was adopted and ordered printed.

[November 9, 2011]

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 Steans, **Senate Bill No. 348** 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 2.

The following voted in the affirmative:

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

The following voted in the negative:

Johnson, T.
Sandack

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 Pankau, **Senate Bill No. 2022** was recalled from the order of third reading to the order of second reading.

Senator Pankau offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2022

AMENDMENT NO. 1. Amend Senate Bill 2022 by replacing everything after the enacting clause with the following:

"Section 5. The Limited Liability Company Act is amended by changing Section 50-50 as follows:
(805 ILCS 180/50-50)

Sec. 50-50. Department of Business Services Special Operations Fund.

(a) A special fund in the State treasury is created and shall be known as the Department of Business Services Special Operations Fund. Moneys deposited into the Fund shall, subject to appropriation, be used by the Department of Business Services of the Office of the Secretary of State, hereinafter "Department", to create and maintain the capability to perform expedited services in response to special requests made by the public for same-day or 24-hour service. Moneys deposited into the Fund shall be

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used for, but not limited to, expenditures for personal services, retirement, Social Security, contractual services, equipment, electronic data processing, and telecommunications.

(b) The balance in the Fund at the end of any fiscal year shall not exceed \$600,000, and any amount in excess thereof shall be transferred to the General Revenue Fund.

(c) All fees payable to the Secretary of State under this Section shall be deposited into the Fund. No other fees or charges collected under this Act shall be deposited into the Fund.

(d) "Expedited services" means services rendered within the same day, or within 24 hours from the time, the request therefor is submitted by the filer, law firm, service company, or messenger physically in person or, at the Secretary of State's discretion, by electronic means, to the Department's Springfield Office and includes requests for certified copies, photocopies, and certificates of good standing made to the Department's Springfield Office in person or by telephone, or requests for certificates of good standing made in person or by telephone to the Department's Chicago Office.

(e) Fees for expedited services shall be as follows:

Restated articles of organization, \$200;

Merger or conversion, \$200;

Articles of organization, \$100;

Articles of amendment, \$100;

Reinstatement, \$100;

Application for admission to transact business, \$100;

Certificate of good standing or abstract of computer record, \$20;

All other filings, copies of documents, annual reports, and copies of documents of dissolved or revoked limited liability companies, \$50; except that no expedited services fee shall be charged for annual reports filed on-line.

(Source: P.A. 92-33, eff. 7-1-01; 93-32, eff. 9-1-03.)

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 Pankau, **Senate Bill No. 2022** 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 58; NAYS None.

The following voted in the affirmative:

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

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Haine, **House Bill No. 355** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hutchinson, **House Bill No. 384** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Steans, **House Bill No. 442** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Harmon, **House Bill No. 358** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hutchinson, **House Bill No. 503** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Muñoz, **House Bill No. 506** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Trotter, **House Bill No. 507** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Rezin, **House Bill No. 606** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Muñoz, **House Bill No. 735** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Haine, **House Bill No. 1577** having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1 TO HOUSE BILL 1577

AMENDMENT NO. 1. Amend House Bill 1577 by replacing everything after the enacting clause with the following:

"Section 5. "An Act concerning insurance", approved February 14, 2011, Public Act 96-1523, is amended by adding Section 99 as follows:

(P.A. 96-1523, Sec. 99 new)

Sec. 99. Effective date. This Act takes effect January 1, 2012.

Section 10. The Department of Insurance Law of the Civil Administrative Code of Illinois is amended by adding Section 1405-40 as follows:

(20 ILCS 1405/1405-40 new)

Sec. 1405-40. Study of out-of-network facility-based physician and provider claims.

(a) The Department shall study the issue of insurance claims for medical services submitted by nonparticipating facility-based physicians and providers addressed in Section 356z.3a of the Illinois Insurance Code as added by Public Act 96-1523. The Department shall have the authority to request insurers, health plans, and applicable nonparticipating facility-based physician and provider trade associations to assemble and submit information needed for the purposes of this study.

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(b) The Department shall report its findings and recommendations to the General Assembly no later than October 1, 2011.

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

AMENDMENT NO. 6 TO HOUSE BILL 1577

AMENDMENT NO. 6. Amend House Bill 1577, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Insurance Code is amended by changing Sections 35A-15, 445, and 445a as follows:

(215 ILCS 5/35A-15)

Sec. 35A-15. Company action level event.

(a) A company action level event means any of the following events:

(1) The filing of an RBC Report by an insurer that indicates that:

(A) the insurer's total adjusted capital is greater than or equal to its regulatory action level RBC, but less than its company action level RBC; ~~or~~

(B) ~~the~~ ~~The~~ insurer, if a life, health, or life and health insurer, has total adjusted capital that is greater than or equal to its company action level RBC, but less than the product of its authorized control level RBC and 2.5 and has a negative trend; ~~or~~ -

(C) the insurer, if a property and casualty insurer, has total adjusted capital that is greater than or equal to its company action level RBC, but less than the product of its authorized control level RBC and 3.0 and triggers the trend test determined in accordance with the trend test calculation included in the property and casualty RBC Instructions.

(2) The notification by the Director to the insurer of an Adjusted RBC Report that

indicates an event described in paragraph (1), provided the insurer does not challenge the Adjusted RBC Report under Section 35A-35.

(3) The notification by the Director to the insurer that the Director has, after a

hearing, rejected the insurer's challenge under Section 35A-35 to an Adjusted RBC Report that indicates the event described in paragraph (1).

(b) In the event of a company action level event, the insurer shall prepare and submit to the Director an RBC Plan that does all of the following:

(1) Identifies the conditions that contribute to the company action level event.

(2) Contains proposed corrective actions that the insurer intends to take and that are

expected to result in the elimination of the company action level event. A health organization is not prohibited from proposing recognition of a parental guarantee or a letter of credit to eliminate the company action level event; however the Director shall, at his discretion, determine whether or the extent to which the proposed parental guarantee or letter of credit is an acceptable part of a satisfactory RBC Plan or Revised RBC Plan.

(3) Provides projections of the insurer's financial results in the current year and at

least the 4 succeeding years, both in the absence of proposed corrective actions and giving effect to the proposed corrective actions, including projections of statutory operating income, net income, capital, and surplus. The projections for both new and renewal business may include separate projections for each major line of business and separately identify each significant income, expense, and benefit component.

(4) Identifies the key assumptions affecting the insurer's projections and the sensitivity of the projections to the assumptions.

(5) Identifies the quality of, and problems associated with, the insurer's business

including, but not limited to, its assets, anticipated business growth and associated surplus strain, extraordinary exposure to risk, mix of business, and use of reinsurance, if any, in each case.

(c) The insurer shall submit the RBC Plan to the Director within 45 days after the company action level event occurs or within 45 days after the Director notifies the insurer that the Director has, after a hearing, rejected its challenge under Section 35A-35 to an Adjusted RBC Report.

(d) Within 60 days after an insurer submits an RBC Plan to the Director, the Director shall notify the insurer whether the RBC Plan shall be implemented or is, in the judgment of the Director, unsatisfactory. If the Director determines the RBC Plan is unsatisfactory, the notification to the insurer shall set forth the reasons for the determination and may set forth proposed revisions that will render the RBC Plan satisfactory in the judgment of the Director. Upon notification from the Director, the insurer shall prepare a Revised RBC Plan, which may incorporate by reference any revisions proposed by the

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Director. The insurer shall submit the Revised RBC Plan to the Director within 45 days after the Director notifies the insurer that the RBC Plan is unsatisfactory or within 45 days after the Director notifies the insurer that the Director has, after a hearing, rejected its challenge under Section 35A-35 to the determination that the RBC Plan is unsatisfactory.

(e) In the event the Director notifies an insurer that its RBC Plan or Revised RBC Plan is unsatisfactory, the Director may, at the Director's discretion and subject to the insurer's right to a hearing under Section 35A-35, specify in the notification that the notification constitutes a regulatory action level event.

(f) Every domestic insurer that files an RBC Plan or Revised RBC Plan with the Director shall file a copy of the RBC Plan or Revised RBC Plan with the chief insurance regulatory official in any state in which the insurer is authorized to do business if that state has a law substantially similar to the confidentiality provisions in subsection (a) of Section 35A-50 and if that official requests in writing a copy of the plan. The insurer shall file a copy of the RBC Plan or Revised RBC Plan in that state no later than the later of 15 days after receiving the written request for the copy or the date on which the RBC Plan or Revised RBC Plan is filed under subsection (c) or (d) of this Section.

(Source: P.A. 91-549, eff. 8-14-99.)

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

(1) Definitions. For the purposes of this Section: Surplus line defined; surplus line insurer requirements. "Surplus line insurance" means insurance on an Illinois risk of the kinds specified in Classes 2 and 3 of Section 4 of this Code procured from an unauthorized insurer after the insurance producer representing the insured or the surplus line producer is unable, after diligent effort, to procure said insurance from authorized insurers.

"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.

"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 ~~and~~ may procure surplus line ~~that~~ insurance ~~only~~ 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, ~~(a) that~~ based upon information available to the surplus line producer, ~~has~~ a policyholders surplus

of not less than \$15,000,000 determined in accordance with the laws of its domiciliary jurisdiction ~~accounting rules that are applicable to authorized insurers; and~~

(iii) ~~(b) that~~ has standards of solvency and management that are adequate for the protection of policyholders, ~~and~~

Where ~~(e) where~~ an unauthorized insurer does not meet the standards set forth in (ii) ~~(a)~~ and (iii) ~~(b)~~ 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 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: ~~(a) completing a prelicensing course of study. The course provided for by this Section shall be conducted under rules and regulations prescribed by the Director. The Director may administer the course or may make arrangements, including contracting with an outside educational service, for administering the course and collecting the non refundable application fee provided for in this subsection. Any charges assessed by the Director or the educational service for administering the course shall be paid directly by the individual applicants. Each applicant required to take the course shall enclose with the application a non refundable \$20 application fee payable to the Director plus a separate course administration fee. An applicant who fails to appear for the course as scheduled, or appears but fails to complete the course, shall not be entitled to any refund, and shall be required to submit a new request to attend the course~~

~~together with all the requisite fees before being rescheduled for another course at a later date; and (b) payment of an annual license fee of \$400; and (c) procurement of the surety bond required in subsection (4) of this Section.~~

A surplus line producer so licensed shall keep a separate account of the business transacted thereunder 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.~~

~~The preclicensing course of study requirement in (a) above shall not apply to insurance producers who were licensed under the Illinois surplus line law on or before January 1, 2002.~~

(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) 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 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 3.5% of the gross premiums less returned premiums upon all surplus line insurance submitted to the Surplus Line Association of Illinois ~~procured or cancelled~~ 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 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 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). Bond. Each surplus line producer, as a condition to receiving a surplus line producer's license, shall execute and deliver to the Director a surety bond to the People of the State in the penal sum of \$20,000, with a surety which is authorized to transact business in this State, conditioned that the surplus line producer will pay to the Director the tax, interest and penalties levied under subsection (3) of this Section.~~

(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, 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. 92-386, eff. 1-1-02; 93-29, eff. 6-20-03; 93-32, eff. 7-1-03; 93-876, eff. 8-6-04.)

(215 ILCS 5/445a)

Sec. 445a. Domestic surplus line insurer.

(a) A domestic insurer possessing policyholder surplus of at least \$15,000,000 may pursuant to a resolution by its board of directors, and with the written approval of the Director, be designated as a "domestic surplus line insurer".

(b) A domestic surplus line insurer may ~~only~~ insure in this State an Illinois risk only if procured from a surplus line producer pursuant to Section 445 of this Code.

(c) A domestic surplus line insurer must agree not to issue a policy designed to satisfy the financial responsibility requirements of the Illinois Vehicle Code, the Workers' Compensation Act, or the Workers' Occupational Diseases Act. A domestic surplus line insurer is not subject to the provisions of Articles XXXIII, XXXIII 1/2, XXXIV, XXXVIII, Section 468, or Section 478.1 of this Code.

(d) For the purposes of the federal Nonadmitted and Reinsurance Reform Act of 2010 (15 USC 8201 et seq.), a domestic surplus line insurer shall be considered a nonadmitted insurer, as the term is defined in the Act, with respect to risks insured in this State.

(Source: P.A. 90-794, eff. 8-14-98.)

Section 97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

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

There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Koehler, **House Bill No. 1708** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Harmon, **House Bill No. 1927** having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1 TO HOUSE BILL 1927

AMENDMENT NO. 1. Amend House Bill 1927 by replacing everything after the enacting clause with the following:

"Section 5. The Criminal Code of 1961 is amended by changing Section 36-1.5 as follows:
(720 ILCS 5/36-1.5)

Sec. 36-1.5. Preliminary Review.

(a) Within 14 days of the seizure, the State shall seek a preliminary determination from the circuit court as to whether there is probable cause that the property may be subject to forfeiture.

(b) The rules of evidence shall not apply to any proceeding conducted under this Section.

(c) The court may conduct the review under subsection (a) simultaneously with a proceeding pursuant to Section 109-1 of the Code of Criminal Procedure of 1963 for a related criminal offense if a prosecution is commenced by information or complaint.

(d) The court may accept a finding of probable cause at a preliminary hearing following the filing of an information or complaint charging a related criminal offense or following the return of indictment by a grand jury charging the related offense as sufficient evidence of probable cause as required under subsection (a).

(e) Upon making a finding of probable cause as required under this Section, the circuit court shall order the property subject to the provisions of the applicable forfeiture Act held until the conclusion of any forfeiture proceeding.

For seizures of conveyances, within 7 days of a finding of probable cause under subsection (a), the registered owner or other claimant may file a motion in writing supported by sworn affidavits claiming that denial of the use of the conveyance during the pendency of the forfeiture proceedings creates a substantial hardship. The court shall consider the following factors in determining whether a substantial hardship has been proven:

(1) the nature of the claimed hardship;

(2) the availability of public transportation or other available means of transportation; and

(3) any available alternatives to alleviate the hardship other than the return of the seized conveyance.

If the court determines that a substantial hardship has been proven, the court shall then balance the nature of the hardship against the State's interest in safeguarding the conveyance. If the court determines that the hardship outweighs the State's interest in safeguarding the conveyance, the court may temporarily release the conveyance to the registered owner or the registered owner's authorized designee, or both, until the conclusion of the forfeiture proceedings or for such shorter period as ordered by the court provided that the person to whom the conveyance is released provides proof of insurance and a valid driver's license and all State and local registrations for operation of the conveyance are current. The court shall place conditions on the conveyance limiting its use to the stated hardship and restricting the conveyance's use to only those individuals authorized to use the conveyance by the registered owner. The court shall revoke the order releasing the conveyance and order that the conveyance be resealed by law enforcement if the conditions of release are violated or if the conveyance is used in the commission of any offense identified in subsection (a) of Section 6-205 of the Illinois Vehicle Code.

If the court orders the release of the conveyance during the pendency of the forfeiture proceedings, the

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registered owner or his or her authorized designee shall post a cash security with the Clerk of the Court as ordered by the court. The court shall consider the following factors in determining the amount of the cash security:

- (A) the full market value of the conveyance;
- (B) the nature of the hardship;
- (C) the extent and length of the usage of the conveyance; and
- (D) such other conditions as the court deems necessary to safeguard the conveyance.

If the conveyance is released, the court shall order that the registered owner or his or her designee safeguard the conveyance, not remove the conveyance from the jurisdiction, not conceal, destroy, or otherwise dispose of the conveyance, not encumber the conveyance, and not diminish the value of the conveyance in any way. The court shall also make a determination of the full market value of the conveyance prior to it being released based on a source or sources defined in 50 Ill. Adm. Code 919.80(c)(2)(A) or 919.80(c)(2)(B).

If the conveyance subject to forfeiture is released under this Section and is subsequently forfeited, the person to whom the conveyance was released shall return the conveyance to the law enforcement agency that seized the conveyance within 7 days from the date of the declaration of forfeiture or order of forfeiture. If the conveyance is not returned within 7 days, the cash security shall be forfeited in the same manner as the conveyance subject to forfeiture. If the cash security was less than the full market value, a judgment shall be entered against the parties to whom the conveyance was released and the registered owner, jointly and severally, for the difference between the full market value and the amount of the cash security. If the conveyance is returned in a condition other than the condition in which it was released, the cash security shall be returned to the surety who posted the security minus the amount of the diminished value, and that amount shall be forfeited in the same manner as the conveyance subject to forfeiture. Additionally, the court may enter an order allowing any law enforcement agency in the State of Illinois to seize the conveyance wherever it may be found in the State to satisfy the judgment if the cash security was less than the full market value of the conveyance. ~~Upon making a finding of probable cause as required under this Section, and after taking into account the respective interests of all known claimants to the property including the State, the circuit court shall enter a restraining order or injunction, or take other appropriate action, as necessary to ensure that the property is not removed from the court's jurisdiction and is not concealed, destroyed, or otherwise disposed of by the property owner or interest holder before a forfeiture hearing is conducted.~~
(Source: P.A. 97-544, eff. 1-1-12.)

Section 10. The Drug Asset Forfeiture Procedure Act is amended by changing Section 3.5 as follows:
(725 ILCS 150/3.5)

Sec. 3.5. Preliminary Review.

(a) Within 14 days of the seizure, the State shall seek a preliminary determination from the circuit court as to whether there is probable cause that the property may be subject to forfeiture.

(b) The rules of evidence shall not apply to any proceeding conducted under this Section.

(c) The court may conduct the review under subsection (a) simultaneously with a proceeding pursuant to Section 109-1 of the Code of Criminal Procedure of 1963 for a related criminal offense if a prosecution is commenced by information or complaint.

(d) The court may accept a finding of probable cause at a preliminary hearing following the filing of an information or complaint charging a related criminal offense or following the return of indictment by a grand jury charging the related offense as sufficient evidence of probable cause as required under subsection (a).

(e) Upon making a finding of probable cause as required under this Section, the circuit court shall order the property subject to the provisions of the applicable forfeiture Act held until the conclusion of any forfeiture proceeding.

For seizures of conveyances, within 7 days of a finding of probable cause under subsection (a), the registered owner or other claimant may file a motion in writing supported by sworn affidavits claiming that denial of the use of the conveyance during the pendency of the forfeiture proceedings creates a substantial hardship. The court shall consider the following factors in determining whether a substantial hardship has been proven:

- (1) the nature of the claimed hardship;
- (2) the availability of public transportation or other available means of transportation; and
- (3) any available alternatives to alleviate the hardship other than the return of the seized conveyance.

If the court determines that a substantial hardship has been proven, the court shall then balance the

nature of the hardship against the State's interest in safeguarding the conveyance. If the court determines that the hardship outweighs the State's interest in safeguarding the conveyance, the court may temporarily release the conveyance to the registered owner or the registered owner's authorized designee, or both, until the conclusion of the forfeiture proceedings or for such shorter period as ordered by the court provided that the person to whom the conveyance is released provides proof of insurance and a valid driver's license and all State and local registrations for operation of the conveyance are current. The court shall place conditions on the conveyance limiting its use to the stated hardship and restricting the conveyance's use to only those individuals authorized to use the conveyance by the registered owner. The court shall revoke the order releasing the conveyance and order that the conveyance be re seized by law enforcement if the conditions of release are violated or if the conveyance is used in the commission of any offense identified in subsection (a) of Section 6-205 of the Illinois Vehicle Code.

If the court orders the release of the conveyance during the pendency of the forfeiture proceedings, the registered owner or his or her authorized designee shall post a cash security with the Clerk of the Court as ordered by the court. The court shall consider the following factors in determining the amount of the cash security:

(A) the full market value of the conveyance;

(B) the nature of the hardship;

(C) the extent and length of the usage of the conveyance; and

(D) such other conditions as the court deems necessary to safeguard the conveyance.

If the conveyance is released, the court shall order that the registered owner or his or her designee safeguard the conveyance, not remove the conveyance from the jurisdiction, not conceal, destroy, or otherwise dispose of the conveyance, not encumber the conveyance, and not diminish the value of the conveyance in any way. The court shall also make a determination of the full market value of the conveyance prior to it being released based on a source or sources defined in 50 Ill. Adm. Code 919.80(c)(2)(A) or 919.80(c)(2)(B).

If the conveyance subject to forfeiture is released under this Section and is subsequently forfeited, the person to whom the conveyance was released shall return the conveyance to the law enforcement agency that seized the conveyance within 7 days from the date of the declaration of forfeiture or order of forfeiture. If the conveyance is not returned within 7 days, the cash security shall be forfeited in the same manner as the conveyance subject to forfeiture. If the cash security was less than the full market value, a judgment shall be entered against the parties to whom the conveyance was released and the registered owner, jointly and severally, for the difference between the full market value and the amount of the cash security. If the conveyance is returned in a condition other than the condition in which it was released, the cash security shall be returned to the surety who posted the security minus the amount of the diminished value, and that amount shall be forfeited in the same manner as the conveyance subject to forfeiture. Additionally, the court may enter an order allowing any law enforcement agency in the State of Illinois to seize the conveyance wherever it may be found in the State to satisfy the judgment if the cash security was less than the full market value of the conveyance. Upon making a finding of probable cause as required under this Section, and after taking into account the respective interests of all known claimants to the property including the State, the circuit court shall enter a restraining order or injunction, or take other appropriate action, as necessary to ensure that the property is not removed from the court's jurisdiction and is not concealed, destroyed, or otherwise disposed of by the property owner or interest holder before a forfeiture hearing is conducted.

(Source: P.A. 97-544, eff. 1-1-12.)

Section 99. Effective date. This Act takes effect January 1, 2012."

There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Koehler, **House Bill No. 3788** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Kotowski, **House Bill No. 1076** having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1 TO HOUSE BILL 1076

AMENDMENT NO. 1. Amend House Bill 1076 by replacing everything after the enacting clause

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with the following:

"Section 5. The State Designations Act is amended by changing Section 1 as follows:
(5 ILCS 460/1) (from Ch. 1, par. 2901-1)

Sec. 1. This Act may be cited as ~~the~~ the State Designations Act.
(Source: P.A. 87-273.)".

There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Althoff, **House Bill No. 3840** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Trotter, **House Bill No. 691** was taken up, read by title a second time and ordered to a third reading.

At the hour of 4:08 o'clock p.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 4:16 o'clock p.m. the Senate resumed consideration of business.
Senator Crotty, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 9, 2011 meeting, reported the following Joint Action Motion has been assigned to the indicated Standing Committee of the Senate:

Education: **Motion to Concur in House Amendments 5, 7 and 9 to Senate Bill 2147**

COMMITTEE MEETING ANNOUNCEMENTS

The Chair announced the following committee to meet at 5:20 o'clock p.m.:

Education in Room 409

The Chair announced the following committee to meet at 5:35 o'clock p.m.:

Labor in Room 212

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

On motion of Senator Silverstein, **Senate Bill No. 50**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

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

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

YEAS 42; NAYS 11.

The following voted in the affirmative:

Althoff
Clayborne

Harmon
Holmes

Link
Maloney

Sandoval
Schmidt

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Collins, A.	Hunter	Martinez	Schoenberg
Crotty	Hutchinson	Mulroe	Silverstein
Delgado	Jacobs	Muñoz	Sullivan
Dillard	Johnson, T.	Murphy	Syverson
Duffy	Jones, E.	Noland	Trotter
Forby	Koehler	Radogno	Wilhelmi
Frerichs	Kotowski	Raoul	Mr. President
Garrett	Landek	Righter	
Haine	Lightford	Sandack	

The following voted in the negative:

Bivins	Ultra	LaHood	McCarter
Bomke	Johnson, C.	Lauzen	Rezin
Brady	Jones, J.	Luechtefeld	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 50**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

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

November 9, 2011

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

Dear Madam Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator John Sullivan to temporarily replace Senator James Meeks as a member of the Senate Education Committee. This appointment will automatically expire upon adjournment of the Senate Education Committee.

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

cc: Senate Minority Leader Christine Radogno

At the hour of 4:27 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 7:00 o'clock p.m., the Senate resumed consideration of business.
Senator Sullivan, presiding.

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REPORT FROM STANDING COMMITTEE

Senator Forby, Chairperson of the Committee on Labor, to which was referred the Motion to Concur with House Amendments to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendments 4 and 5 to Senate Bill 72

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

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 1865

A bill for AN ACT concerning local government.

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

House Amendment No. 1 to SENATE BILL NO. 1865

House Amendment No. 4 to SENATE BILL NO. 1865

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1865

AMENDMENT NO. 1. Amend Senate Bill 1865 by replacing everything after the enacting clause with the following:

"Section 5. The Intergovernmental Cooperation Act is amended by changing Section 6 as follows:
(5 ILCS 220/6) (from Ch. 127, par. 746)

Sec. 6. Joint self-insurance. An intergovernmental contract may, among other undertakings, authorize public agencies to jointly self-insure and authorize each public agency member of the contract to utilize its funds to pay to a joint insurance pool its costs and reserves to protect, wholly or partially, itself or any public agency member of the contract against liability or loss in the designated insurable area. A joint insurance pool shall have an annual audit performed by an independent certified public accountant and shall file an annual audited financial report with the Director of Insurance no later than 150 days after the end of the pool's immediately preceding fiscal year. The Director of Insurance shall issue rules necessary to implement this audit and report requirement. The rule shall establish the due date for filing the initial annual audited financial report. Within 30 days after January 1, 1991, and within 30 days after each January 1 thereafter, public agencies that are jointly self-insured to protect against liability under the Workers' Compensation Act and the Workers' Occupational Diseases Act shall file with the Illinois Workers' Compensation Commission a report indicating an election to self-insure.

For purposes of this Section, "public agency member" means any public agency defined or created under this Act, any local public entity as defined in Section 1-206 of the Local Governmental and Governmental Employees Tort Immunity Act, and any public agency, authority, instrumentality, council, board, service region, district, unit, bureau, or, commission, or any municipal corporation, college, or university, whether corporate or otherwise, and any other local governmental body or similar entity that is presently existing or created after the effective date of this amendatory Act of the 92nd General Assembly, whether or not specified in this Section. Only public agency members with tax receipts, tax revenues, taxing authority, or other resources sufficient to pay costs and to service debt related to intergovernmental activities described in this Section, or public agency members created by or as part of a public agency with these powers, may enter into contracts or otherwise associate among themselves as permitted in this Section.

No joint insurance pool or other intergovernmental cooperative offering health insurance shall interfere with the statutory obligation of any public agency member to bargain over or to reach

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agreement with a labor organization over a mandatory subject of collective bargaining as those terms are used in the Illinois Public Labor Relations Act. No intergovernmental contract of insurance offering health insurance shall limit the rights or obligations of public agency members to engage in collective bargaining, and it shall be unlawful for a joint insurance pool or other intergovernmental cooperative offering health insurance to discriminate against public agency members or otherwise retaliate against such members for limiting their participation in a joint insurance pool as a result of a collective bargaining agreement.

No joint insurance pool or other intergovernmental cooperative shall require any public agency member to provide notice of the member's intent to withdraw from the pool or cooperative more than 30 days before the date upon which the member withdraws.

If a public agency member of a joint insurance pool or intergovernmental cooperative withdraws for the sole reason of seeking competitive pricing and then seeks to rejoin the pool or intergovernmental cooperative within 60 days after withdrawing, the member shall be allowed to rejoin the pool or intergovernmental cooperative without penalty and without being required to pay higher premiums.

The head of any joint insurance pool or other intergovernmental cooperative shall be a licensed insurance producer in the State of Illinois.

No joint insurance pool or other intergovernmental cooperative shall, after the effective date of this amendatory Act of the 97th General Assembly, enter into any contract for insurance coverage that exceeds one year in duration.

It shall not be considered a violation of this Section for an intergovernmental contract of insurance relating to health insurance coverage, life insurance coverage, or both to permit the pool or cooperative, if a member withdraws employees or officers into a union-sponsored program, to re-price the costs of benefits provided to the continuing employees or officers based upon the same underwriting criteria used by that pool or cooperative in the normal course of its business, but no member shall be expelled from a pool or cooperative if the continuing employees or officers meet the general criteria required of other members.

(Source: P.A. 93-721, eff. 1-1-05; 94-685, eff. 11-2-05.)".

AMENDMENT NO. 4 TO SENATE BILL 1865

AMENDMENT NO. 4 . Amend Senate Bill 1865, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. If and only if Senate Bill 965 of the 97th General Assembly becomes law in the form in which it passed the Senate, the Illinois Vehicle Code is amended by changing Section 11-208.8 as follows:

(625 ILCS 5/11-208.8)

Sec. 11-208.8. Automated speed enforcement systems in safety zones.

(a) As used in this Section:

"Automated speed enforcement system" means a photographic device, radar device, laser device, or other electrical or mechanical device or devices installed or utilized in a safety zone and designed to record the speed of a vehicle and obtain a clear photograph or other recorded image of the vehicle and the vehicle's registration plate while the driver is violating Article VI of Chapter 11 of this Code or a similar provision of a local ordinance.

An automated speed enforcement system is a system, located in a safety zone which is under the jurisdiction of a municipality, that produces a recorded image of a motor vehicle's violation of a provision of this Code or a local ordinance and is designed to obtain a clear recorded image of the vehicle and the vehicle's license plate. The recorded image must also display the time, date, and location of the violation.

"Owner" means the person or entity to whom the vehicle is registered.

"Recorded image" means images recorded by an automated speed enforcement system on:

- (1) 2 or more photographs;
- (2) 2 or more microphotographs;
- (3) 2 or more electronic images; or
- (4) a video recording showing the motor vehicle and, on at least one image or portion of the recording, clearly identifying the registration plate number of the motor vehicle.

"Safety zone" means an area that is within one-eighth of a mile from the nearest property line of any public or private elementary or secondary school, or from the nearest property line of any facility, area, or land owned by a school district that is used for educational purposes approved by the Illinois State Board of Education, not including school district headquarters or administrative buildings. A safety zone

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also includes an area that is within one-eighth of a mile from the nearest property line of any facility, area, or land owned by a park district used for recreational purposes. However, if any portion of a roadway is within either one-eighth mile radius, the safety zone also shall include the roadway extended to the furthest portion of the next furthest intersection. The term "safety zone" does not include any portion of the roadway known as Lake Shore Drive or any controlled access highway with 8 or more lanes of traffic.

(a-5) The automated speed enforcement system shall be operational and violations shall be recorded only at the following times:

(i) if the safety zone is based upon the property line of any facility, area, or land owned by a school district, only on school days and no earlier than 6 a.m. and no later than 8:30pm if the school day is during the period of Monday through Thursday, or 9 p.m. if the school day is a Friday; 10 p.m.; and

(ii) if the safety zone is based upon the property line of any facility, area, or land owned by a park district, no earlier than one hour prior to the time that the facility, area, or land is open to the public or other patrons, and no later than one hour after the facility, area, or land is closed to the public or other patrons.

(b) A municipality that produces a recorded image of a motor vehicle's violation of a provision of this Code or a local ordinance must make the recorded images of a violation accessible to the alleged violator by providing the alleged violator with a website address, accessible through the Internet.

(c) Notwithstanding any penalties for any other violations of this Code, the owner of a motor vehicle used in a traffic violation recorded by an automated speed enforcement system shall be subject to the following penalties:

(1) if the recorded speed is no less than 6 miles per hour and no more than 10 miles per hour over the legal speed limit, a civil penalty not exceeding \$50, plus an additional penalty of not more than \$50 for failure to pay the original penalty in a timely manner; or

(2) if the recorded speed is more than 10 miles per hour over the legal speed limit, a civil penalty not exceeding \$100, plus an additional penalty of not more than \$100 for failure to pay the original penalty in a timely manner.

~~A penalty may not be imposed under this Section if a civil penalty not exceeding \$100 for each violation, plus an additional penalty of not more than \$100 for failure to pay the original penalty in a timely manner, unless the driver of the motor vehicle received a Uniform Traffic Citation from a police officer~~

for a speeding violation occurring within one-eighth of a mile and 15 minutes of the violation that was recorded by the system. A violation for which a civil penalty is imposed under this Section is not a violation of a traffic regulation governing the movement of vehicles and may not be recorded on the driving record of the owner of the vehicle. A law enforcement officer is not required to be present or to witness the violation. No penalty may be imposed under this Section if the recorded speed of a vehicle is 5 miles per hour or less over the legal speed limit. The municipality may send, in the same manner that notices are sent under this Section, a speed violation warning notice where the violation involves a speed of 5 miles per hour or less above the legal speed limit.

(d) The net proceeds that a municipality receives from civil penalties imposed under an automated speed enforcement system, after deducting all non-personnel and personnel costs associated with the operation and maintenance of such system, shall be expended or obligated by the municipality for the following purposes:

(i) public safety initiatives to ensure safe passage around schools, and to provide police protection and surveillance around schools and parks, including but not limited to: (1) personnel costs; and (2) non-personnel costs such as construction and maintenance of public safety infrastructure and equipment;

(ii) initiatives to improve pedestrian and traffic safety; and

(iii) construction and maintenance of infrastructure within the municipality,

including but not limited to roads and bridges; and -

(iv) after school programs.

(e) For each violation of a provision of this Code or a local ordinance recorded by an automated speed enforcement system, the municipality having jurisdiction shall issue a written notice of the violation to the registered owner of the vehicle as the alleged violator. The notice shall be delivered to the registered owner of the vehicle, by mail, within 30 days after the Secretary of State notifies the municipality of the identity of the owner of the vehicle, but in no event later than 90 days after the violation.

(f) The notice required under subsection (e) of this Section shall include:

(1) the name and address of the registered owner of the vehicle;

- (2) the registration number of the motor vehicle involved in the violation;
 - (3) the violation charged;
 - (4) the date, time, and location where the violation occurred;
 - (5) a copy of the recorded image or images;
 - (6) the amount of the civil penalty imposed and the date by which the civil penalty should be paid;
 - (7) a statement that recorded images are evidence of a violation of a speed restriction;
 - (8) a warning that failure to pay the civil penalty or to contest liability in a timely manner is an admission of liability and may result in a suspension of the driving privileges of the registered owner of the vehicle;
 - (9) a statement that the person may elect to proceed by:
 - (A) paying the fine; or
 - (B) challenging the charge in court, by mail, or by administrative hearing; and
 - (10) a website address, accessible through the Internet, where the person may view the recorded images of the violation.
- (g) If a person charged with a traffic violation, as a result of an automated speed enforcement system, does not pay the fine or successfully contest the civil penalty resulting from that violation, the Secretary of State shall suspend the driving privileges of the registered owner of the vehicle under Section 6-306.5 of this Code for failing to pay any fine or penalty due and owing, or both, as a result of a combination of 5 violations of the automated speed enforcement system or the automated traffic law under Section 11-208.6 of this Code.
- (h) Based on inspection of recorded images produced by an automated speed enforcement system, a notice alleging that the violation occurred shall be evidence of the facts contained in the notice and admissible in any proceeding alleging a violation under this Section.
- (i) Recorded images made by an automated speed enforcement system are confidential and shall be made available only to the alleged violator and governmental and law enforcement agencies for purposes of adjudicating a violation of this Section, for statistical purposes, or for other governmental purposes. Any recorded image evidencing a violation of this Section, however, may be admissible in any proceeding resulting from the issuance of the citation.
- (j) The court or hearing officer may consider in defense of a violation:
- (1) that the motor vehicle or registration plates of the motor vehicle were stolen before the violation occurred and not under the control or in the possession of the owner at the time of the violation;
 - (2) that the driver of the motor vehicle received a Uniform Traffic Citation from a police officer for a speeding violation occurring within one-eighth of a mile and 15 minutes of the violation that was recorded by the system; and
 - (3) any other evidence or issues provided by municipal ordinance.
- (k) To demonstrate that the motor vehicle or the registration plates were stolen before the violation occurred and were not under the control or possession of the owner at the time of the violation, the owner must submit proof that a report concerning the stolen motor vehicle or registration plates was filed with a law enforcement agency in a timely manner.
- (l) A roadway equipped with an automated speed enforcement system shall be posted with a sign conforming to the national Manual on Uniform Traffic Control Devices that is visible to approaching traffic stating that vehicle speeds are being photo-enforced and indicating the speed limit. The municipality shall install such additional signage as it determines is necessary to give reasonable notice to drivers as to where automated speed enforcement systems are installed.
- (m) A roadway where a new automated speed enforcement system is installed shall be posted with signs providing 30 days notice of the use of a new automated speed enforcement system prior to the issuance of any citations through the automated speed enforcement system.
- (n) The compensation paid for an automated speed enforcement system must be based on the value of the equipment or the services provided and may not be based on the number of traffic citations issued or the revenue generated by the system.
- (o) A municipality shall make a certified report to the Secretary of State pursuant to Section 6-306.5 of this Code whenever a registered owner of a vehicle has failed to pay any fine or penalty due and owing as a result of a combination of 5 offenses for automated speed or traffic law enforcement system violations.
- (p) No person who is the lessor of a motor vehicle pursuant to a written lease agreement shall be liable for an automated speed or traffic law enforcement system violation involving such motor vehicle during the period of the lease; provided that upon the request of the appropriate authority received within 120

days after the violation occurred, the lessor provides within 60 days after such receipt the name and address of the lessee. The drivers license number of a lessee may be subsequently individually requested by the appropriate authority if needed for enforcement of this Section.

Upon the provision of information by the lessor pursuant to this subsection, the municipality may issue the violation to the lessee of the vehicle in the same manner as it would issue a violation to a registered owner of a vehicle pursuant to this Section, and the lessee may be held liable for the violation.

(q) A municipality using an automated speed enforcement system must provide notice to drivers by publishing the locations of all safety zones where system equipment is installed on the website of the municipality.

(r) A municipality operating an automated speed enforcement system shall conduct a statistical analysis to assess the safety impact of the system. The statistical analysis shall be based upon the best available crash, traffic, and other data, and shall cover a period of time before and after installation of the system sufficient to provide a statistically valid comparison of safety impact. The statistical analysis shall be consistent with professional judgment and acceptable industry practice. The statistical analysis also shall be consistent with the data required for valid comparisons of before and after conditions and shall be conducted within a reasonable period following the installation of the automated traffic law enforcement system. The statistical analysis required by this subsection shall be made available to the public and shall be published on the website of the municipality.

(s) This Section applies only to municipalities with a population of 1,000,000 or more inhabitants. (Source: 09700SB0965eng.)

Section 99. Effective date. This Act takes effect July 1, 2012."

Under the rules, the foregoing **Senate Bill No. 1865**, with House Amendments numbered 1 and 4, was referred to the Secretary's Desk.

A message from the House by

Mr. Mapes, Clerk:

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

SENATE BILL NO. 1992

A bill for AN ACT concerning State government.

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

House Amendment No. 2 to SENATE BILL NO. 1992

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 1992

AMENDMENT NO. 2. Amend Senate Bill 1992 by replacing everything after the enacting clause with the following:

"Section 1. Findings; purpose; text and revisory changes; validation; additional material.

(a) It is the purpose of this Act to reenact the provisions of subsection (c) of Section 5.4 of the Metropolitan Pier and Exposition Authority Act, which a federal district court found to be preempted under federal law on the grounds that it regulates issues protected by Section 8 of the National Labor Relations Act. Following the court's ruling, the parties to the suit resolved their dispute related to the challenged provisions. The reenactment of subsection (c) of Section 5.4 implements, in part, settlement agreements made and entered into between the Authority and the plaintiffs that filed suit, the Chicago Regional Council of Carpenters and the International Brotherhood of Teamsters Local 727. The agreements were filed with the Secretary of State Index Department and designated as 97-GA-A01 and 97-GA-A02, respectively.

(b) In this Act, the base text of the reenacted Section is set forth as it existed at the time of the federal district court's decision. Striking and underscoring is used only to show the changes being made to that base text. The changes being made to this Act are consistent with the settlement agreement or declarative of existing law.

Section 5. The Metropolitan Pier and Exposition Authority Act is amended by reenacting and

[November 9, 2011]

changing Section 5.4 as follows:

(70 ILCS 210/5.4)

Sec. 5.4. Exhibitor rights and work rule reforms.

(a) Legislative findings.

(1) The Authority is a political subdivision of the State of Illinois subject to the plenary authority of the General Assembly and was created for the benefit of the general public to promote business, industry, commerce, and tourism within the City of Chicago and the State of Illinois.

(2) The Authority owns and operates McCormick Place and Navy Pier, which have collectively 2.8 million square feet of exhibit hall space, 700,000 square feet of meeting room space.

(3) The Authority is a vital economic engine that annually generates 65,000 jobs and \$8 billion of economic activity for the State of Illinois through the trade shows, conventions, and other meetings held and attended at McCormick Place and Navy Pier.

(4) The Authority supports the operation of McCormick Place and Navy Pier through not only fees on the rental of exhibit and meeting room space, electrical and utility service, food and beverage services, and parking, but also hotel room rates paid by persons staying at the Authority-owned hotel.

(5) The Authority has a compelling and proprietary interest in the success, competitiveness, and continued viability of McCormick Place and Navy Pier as the owner and operator of the convention facilities and its obligation to ensure that these facilities produce sufficient operating revenues.

(6) The Authority's convention facilities were constructed and renovated through the issuance of public bonds that are directly repaid by State hotel, auto rental, food and beverage, and airport and departure taxes paid principally by persons who attend, work at, exhibit, and provide goods and services to conventions, shows, exhibitions, and meetings at McCormick Place and Navy Pier.

(7) State law also dedicates State occupation and use tax revenues to fulfill debt service obligations on these bonds should State hotel, auto rental, food and beverage, and airport and departure taxes fail to generate sufficient revenue.

(8) Through fiscal year 2010, \$55 million in State occupation and use taxes will have been allocated to make debt service payments on the Authority's bonds due to shortfalls in State hotel, auto rental, food and beverage, and airport and departure taxes. These shortfalls are expected to continue in future fiscal years and would require the annual dedication of approximately \$40 million in State occupation and use taxes to fulfill debt service payments.

(9) In 2009, managers of the International Plastics Showcase announced that 2009 was the last year they would host their exhibition at McCormick Place, as they had since 1971, because union labor work rules and electric and food service costs make it uneconomical for the show managers and exhibitors to use McCormick Place as a convention venue as compared to convention facilities in Orlando, Florida and Las Vegas, Nevada. The exhibition used over 740,000 square feet of exhibit space, attracted over 43,000 attendees, generated \$4.8 million of revenues to McCormick Place, and raised over \$200,000 in taxes to pay debt service on convention facility bonds.

(10) After the International Plastics Showcase exhibition announced its departure, other conventions and exhibitions managers and exhibitors also stated that they would not return to McCormick Place and Navy Pier for the same reasons cited by the International Plastics Showcase exhibition. In addition, still other managers and exhibitors stated that they would not select McCormick Place as a convention venue unless the union labor work rules and electrical and food service costs were made competitive with those in Orlando and Las Vegas.

(11) The General Assembly created the Joint Committee on the Metropolitan Pier and Exposition Authority to conduct hearings and obtain facts to determine how union labor work rules and electrical and food service costs make McCormick Place and Navy Pier uneconomical as a convention venue.

(12) Witness testimony and fact-gathering revealed that while the skilled labor provided by trade unions at McCormick Place and Navy Pier is second to none and is actually "exported" to work on conventions and exhibitions held in Orlando and Las Vegas, restrictive work rules on the activities show exhibitors may perform present exhibitors and show managers with an uninviting atmosphere and result in significantly higher costs than competing convention facilities.

(13) Witness testimony and fact-gathering also revealed that the mark-up on electrical and food service imposed by the Authority to generate operating revenue for McCormick Place and

Navy Pier also substantially increased exhibitor and show organizer costs to the point of excess when compared to competing convention facilities.

(14) Witness testimony and fact-gathering further revealed that the additional departure of conventions, exhibitions, and trade shows from Authority facilities threatens the continued economic viability of these facilities and the stability of sufficient tax revenues necessary to support debt service.

(15) In order to safeguard the Authority's and State of Illinois' shared compelling and proprietary interests in McCormick Place and Navy Pier and in response to local economic needs, the provisions contained in this Section set forth mandated changes and reforms to restore and ensure that (i) the Authority's facilities remain economically competitive with other convention venues and (ii) conventions, exhibitions, trade shows, and other meetings are attracted to and retained at Authority facilities by producing an exhibitor-friendly environment and by reducing costs for exhibitors and show managers.

(16) The provisions set forth in this Section are reasonable, necessary, and narrowly tailored to safeguard the Authority's and State of Illinois' shared and compelling proprietary interests and respond to local economic needs as compared to the available alternative set forth in House Bill 4900 of the 96th General Assembly and proposals submitted to the Joint Committee on the Metropolitan Pier and Exposition Authority. Action by the State offers the only comprehensive means to remedy the circumstances set forth in these findings, despite the concerted and laudable voluntary efforts of the Authority, labor unions, show contractors, show managers, and exhibitors.

(b) Definitions. As used in this Section:

"Booth" means the demarcated exhibit space of an exhibitor on Authority premises.

"Contractor" or "show contractor" means any person who contracts with the Authority, an exhibitor, or with the manager of a show to provide any services related to drayage, rigging, carpentry, decorating, electrical, maintenance, mechanical, and food and beverage services or related trades and duties for shows on Authority premises.

"Exhibitor" or "show exhibitor" means any person who contracts with the Authority or with a manager or contractor of a show held or to be held on Authority premises.

"Exhibitor employee" means any person who has been employed by the exhibitor as a full-time employee for a minimum of 6 months before the show's opening date.

"Hand tools" means cordless tools, power tools, and other tools as determined by the Authority.

"Licensee" means any entity that uses the Authority's premises.

"Manager" or "show manager" means any person that owns or manages a show held or to be held on Authority premises.

"Personally owned vehicles" means the vehicles owned by show exhibitors or the show management, excluding commercially registered trucks, vans, and other vehicles as determined by the Authority.

"Premises" means grounds, buildings, and facilities of the Authority.

"Show" means a convention, exposition, trade show, event, or meeting held on Authority premises by a show manager or show contractor on behalf of a show manager.

"2011 Settlement Agreement" means the agreement that the Authority made and entered into with the Chicago Regional Council of Carpenters, not including any revisions or amendments, and filed with the Illinois Secretary of State Index Department and designated as 97-GA-A01.

"Union employees" means workers represented by a labor organization, as defined in the National Labor Relations Act, providing skilled labor services to exhibitors, a show manager, or a show contractor on Authority premises.

(c) Exhibitor rights.

In order to control costs, increase the competitiveness, and promote and provide for the economic stability of Authority premises, all Authority contracts with exhibitors, contractors, and managers shall include the following minimum terms and conditions:

(1) Consistent with safety and the skills and training necessary to perform the task, as determined by the Authority, an exhibitor and exhibitor employees are permitted in a booth of any size with the use of the exhibitor's ladders and hand tools to:

(i) set-up and dismantle exhibits displayed on Authority premises;

(ii) assemble and disassemble materials, machinery, or equipment on Authority premises; and

(iii) install all signs, graphics, props, balloons, other decorative items, and the exhibitor's own drapery, including the skirting of exhibitor tables, on the Authority's premises.

(2) An exhibitor and exhibitor employees are permitted in a booth of any size to deliver, set-up, plug in, interconnect, and operate an exhibitor's electrical equipment, computers, audio-visual devices, and other equipment.

(3) An exhibitor and exhibitor employees are permitted in a booth of any size to skid, position, and re-skid all exhibitor material, machinery, and equipment on Authority premises.

(4) An exhibitor and exhibitor employees are prohibited at any time from using scooters, forklifts, pallet jacks, condors, scissors lifts, motorized dollies, or similar motorized or hydraulic equipment on Authority premises.

(5) The Authority shall designate areas, in its discretion, where exhibitors may unload and load exhibitor materials from privately owned vehicles at Authority premises with the use of non-motorized hand trucks and dollies.

(6) On Monday through Friday for any consecutive 8-hour period during the hours of 6:00 a.m. and 10:00 p.m., union employees on Authority premises shall be paid straight-time hourly wages plus fringe benefits. Union employees shall be paid straight-time and a half hourly wages plus fringe benefits for labor services provided after any consecutive 8-hour period; provided, however, that between the hours of midnight and 6:00 a.m. union employees shall be paid double straight-time wages plus fringe benefits for labor services.

(7) On Monday through Friday for any consecutive 8-hour period during the hours of 6:00 a.m. and 10:00 p.m., a show manager or contractor shall charge an exhibitor only for labor services provided by union employees on Authority premises based on straight-time hourly wages plus fringe benefits along with a reasonable mark-up. After any consecutive 8-hour period, a show manager or contractor shall charge an exhibitor only for labor services provided by union employees based on straight-time and a half hourly wages plus fringe benefits along with a reasonable mark-up; provided, however, that between the hours of midnight and 6:00 a.m. a show manager or contractor shall charge an exhibitor only for labor services provided by union employees based on double straight-time wages plus fringe benefits along with a reasonable mark-up.

~~(8) (Blank). On Saturdays for any consecutive 8 hour period, union employees on Authority premises shall be paid straight time and a half hourly wages plus fringe benefits. After any consecutive 8 hour period, union employees on Authority premises shall be paid double straight time hourly wages plus fringe benefits; provided, however, that between the hours of midnight and 6:00 a.m. union employees shall be paid double straight time wages plus fringe benefits for labor services.~~

~~(9) (Blank). On Saturdays for any consecutive 8 hour period, a show manager or contractor shall charge an exhibitor only for labor services provided by union employees on Authority premises based on straight time and a half hourly wages plus fringe benefits along with a reasonable mark up. After any consecutive 8 hour period, a show manager or contractor shall charge an exhibitor only for labor services provided by union employees based on double straight time hourly wages plus fringe benefits along with a reasonable mark up; provided, however, that between the hours of midnight and 6:00 a.m. a show manager or contractor shall charge an exhibitor only for labor services provided by union employees based on double straight time wages plus fringe benefits along with a reasonable mark up.~~

~~(10) (Blank). On Sundays and on State and federal holidays, union employees on Authority premises shall be paid double straight time hourly wages plus fringe benefits.~~

~~(11) (Blank). On Sundays and on State and federal holidays, a show manager or contractor shall charge an exhibitor only for labor services provided by union employees on Authority premises based on double straight time hourly wages plus fringe benefits along with a reasonable mark up.~~

(12) The Authority has the power to determine, after consultation with the Advisory Council, the work jurisdiction and scope of work of union employees on Authority premises during the move-in, move-out, and run of a show, provided that any affected labor organization may contest the Authority's determination through a binding decision of an independent, third-party arbitrator. When making the determination, the Authority or arbitrator, as the case may be, shall consider the training and skills required to perform the task, past practices on Authority premises, safety, and the need for efficiency and exhibitor satisfaction. These factors shall be considered in their totality and not in isolation. The Authority's determination must be made in writing, set forth an explanation and statement of the reason or reasons supporting the determination, and be provided to each affected labor organization. The changes in this item (12) by this amendatory Act of the 97th General Assembly are declarative of existing law and shall not be construed as a new enactment. Nothing in

this item permits the Authority to eliminate any labor organization representing union employees that provide labor services on the move-in, move-out, and run of the show as of the effective date of this amendatory Act of the 96th General Assembly.

~~(13) (Blank). During the run of a show, all stewards of union employees shall be working stewards. Subject to the discretion of the Authority, no more than one working steward per labor organization representing union employees providing labor services on Authority premises shall be used per building and per show.~~

(14) An exhibitor or show manager may request by name specific union employees to provide labor services on Authority premises consistent with all State and federal laws. Union employees requested by an exhibitor shall take priority over union employees requested by a show manager.

(15) A show manager or show contractor on behalf of a show manager may retain an electrical contractor approved by the Authority or Authority-provisioned electrical services to provide electrical services on the premises. If a show manager or show contractor on behalf of a show manager retains Authority-provisioned electrical services, then the Authority shall offer these services at a rate not to exceed the cost of providing those services.

(16) Crew sizes for any task or operation shall not exceed 2 persons unless, after consultation with the Advisory Council, the Authority determines otherwise based on the task, skills, and training required to perform the task and on safety.

(17) An exhibitor may bring food and beverages on the premises of the Authority for personal consumption.

(18) Show managers and contractors shall comply with any audit performed under subsection (e) of this Section.

(19) A show manager or contractor shall charge an exhibitor only for labor services provided by union employees on Authority premises on a minimum half-hour basis. The Authority has the power to implement, enforce, and administer the exhibitor rights set forth in this subsection, including the promulgation of rules. The Authority also has the power to determine violations of this subsection and implement appropriate remedies, including, but not limited to, barring violators from Authority premises. The provisions set forth in this Section are binding and equally applicable to any show conducted at Navy Pier, and this statement of the law is declarative of existing law and shall not be construed as a new enactment. The Authority may waive the applicability of only item (6) of this subsection (c) to the extent necessary and required to comply with paragraph 1 of Section F of the 2011 Settlement Agreement, as set forth on Page 12 of that Agreement.

(d) Advisory Council.

(1) An Advisory Council is hereby established to ensure an active and productive dialogue between all affected stakeholders to ensure exhibitor satisfaction for conventions, exhibitions, trade shows, and meetings held on Authority premises.

(2) The composition of the Council shall be determined by the Authority consistent with its existing practice for labor-management relations.

(3) The Council shall hold meetings no less than once every 90 days.

(e) Audit of exhibitor rights.

The Authority shall retain the services of a person to complete, at least twice per calendar year, a financial statement audit and compliance attestation examination to determine and verify that the exhibitor rights set forth in this Section have produced cost reductions for exhibitors and those cost reductions have been fairly passed along to exhibitors. The financial statement audit shall be performed in accordance with generally accepted auditing standards. The compliance attestation examination shall be (i) performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and shall examine the compliance with the requirements set forth in this Section and (ii) conducted by a licensed public accounting firm, selected by the Authority from a list of firms prequalified to do business with the Illinois Auditor General. Upon request, a show contractor or manager shall provide the Authority or person retained to provide auditing services with any information and other documentation reasonably necessary to perform the obligations set forth in this subsection. Upon completion, the report shall be submitted to the Authority and made publicly available on the Authority's website.

(f) Exhibitor service reforms. The Authority shall make every effort to substantially reduce exhibitor's costs for participating in shows.

(1) Any contract to provide food or beverage services in the buildings and facilities of the Authority, except Navy Pier, shall be provided at a rate not to exceed the cost established in the contract. The Board shall periodically review all food and beverage contracts.

(2) A department or unit of the Authority shall not serve as the exclusive provider of electrical services.

(3) Exhibitors shall receive a detailed statement of all costs associated with utility services, including the cost of labor, equipment, and materials.

(g) Severability. If any provision of this Section or its application to any person or circumstance is held invalid, the invalidity of that provision or application does not affect other provisions or applications of this Section that can be given effect without the invalid provision or application.

(Source: P.A. 96-898, eff. 5-27-10; 96-899, eff. 5-28-10.)

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

Under the rules, the foregoing **Senate Bill No. 1992**, with House Amendment No. 2, was referred to the Secretary's Desk.

A message from the House by
Mr. Mapes, Clerk:

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

SENATE BILL NO. 2458

A bill for AN ACT concerning appropriations.

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

House Amendment No. 1 to SENATE BILL NO. 2458

House Amendment No. 2 to SENATE BILL NO. 2458

House Amendment No. 3 to SENATE BILL NO. 2458

Passed the House, as amended, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

AMENDMENT NO. 1 SENATE BILL 2458

AMENDMENT NO. 1. Amend Senate Bill 2458 by replacing everything after the enacting clause with the following:

"Section 5. The amount of \$2, or so much of that amount as may be necessary, is appropriated from the General Revenue Fund to the State Board of Education for its ordinary and contingent expenses.

Section 99. Effective date. This Act takes effect July 1, 2011."

AMENDMENT NO. 2 SENATE BILL 2458

AMENDMENT NO. 2. Amend Senate Bill 2458, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The amount of \$10,806,400, or so much thereof as may be necessary, is appropriated from the Personal Property Tax Replacement Fund to the Illinois State Board of Education for the fiscal year beginning July 1, 2011 for Regional Superintendents' and Assistants' Compensation and Related Benefits.

Section 10. The following named amounts, or so much thereof as may be necessary, are appropriated to the Illinois State Board of Education for the fiscal year beginning July 1, 2011: From the Personal Property Tax Replacement Fund:

For Regional Superintendents' Services\$2,225,050

Section 15. The following amounts, or so much of those amounts as may be necessary, respectively, are appropriated to the State Board of Elections for its ordinary and contingent expenses

[November 9, 2011]

from the Personal Property Tax Replacement Fund as follows:

For Payment of Lump Sum Awards to County Clerks,

County Recorders, and Chief Election
 Clerks as Compensation for Additional
 Duties required of such officials
 by consolidation of elections law,
 as provided in Public Acts 82-691
 and 90-713

806,000

Section 20. "An Act making appropriations", Public Act 97-56 is amended by changing

Section 10 of Article 5 as follows:

(P.A. 97-56, Article 5, Section 10)

Sec. 10. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law:

From General Revenue Fund

Department on Aging	
For the Director	115,700
Department of Agriculture	
For the Director	133,300
For the Assistant Director.....	113,200
Department of Central Management Services	
For the Director	142,400
For 2 Assistant Directors	242,100
Department of Children and Family Services	
For the Director	150,300
Department of Corrections	
For the Director	150,300
For the Assistant Director.....	127,800
Department of Commerce and Economic Opportunities	
For the Director	142,400
For the Assistant Director.....	121,100
Environmental Protection Agency	
For the Director	133,300
Department of Financial and Professional Regulation	
For the Secretary.....	135,100
For the Director	115,700
For the Director	124,100
Department of Human Services	
For the Secretary.....	150,300
For 2 Assistant Secretaries	255,500
Department of Insurance	
For the Director	135,100
Department of Juvenile Justice	
For the Director	120,400
Department of Labor	
For the Director	124,100
For the Assistant Director.....	113,200
For the Chief Factory Inspector	52,200
For the Superintendent of Safety Inspection and Education	57,400
Department of State Police	
For the Director	132,600
For the Assistant Director.....	113,200
Department of Military Affairs	
For the Adjutant General	115,700
For two Chief Assistants to the Adjutant General	197,100
Department of Natural Resources	

For the Director	133,300
For the Assistant Director.....	124,600
For six Mine Officers	94,000
For four Miners' Examining Officers.....	51,700
Illinois Labor Relations Board	
For the Chairman	104,400
For four State Labor Relations Board members.....	375,800
For two Local Labor Relations Board members.....	187,900
For the Chairman of the Local Panel	0
Department of Healthcare and Family Services	
For the Director	142,400
For the Assistant Director.....	121,100
Department of Public Health	
For the Director	150,300
For the Assistant Director.....	127,800
Department of Revenue	
For the Director	142,400
For the Assistant Director.....	121,100
Department of Lottery	
For the Superintendent	0
Property Tax Appeal Board	
For the Chairman	64,800
For four members	208,800
Department of Veterans' Affairs	
For the Director	115,700
For the Assistant Director.....	98,600
Civil Service Commission	
For the Chairman	30,500
For four members	101,300
Commerce Commission	
For the Chairman	134,100
For four members	468,200
Court of Claims	
For the Chief Judge	65,000
For the six Judges	359,600
State Board of Elections	
For the Chairman	58,500
For the Vice-Chairman	48,100
For six members	225,500
Illinois Emergency Management Agency	
For the Director	129,000
For the Assistant Director.....	115,700
Department of Human Rights	
For the Director	115,700
Human Rights Commission	
For the Chairman	52,200
For twelve members	563,600
Illinois Workers' Compensation Commission	
For the Chairman	125,300
For nine members.....	1,078,600
Liquor Control Commission	
For the Chairman	39,000
For six members	204,400
For the Secretary.....	37,600
For the Chairman and one member as designated by law, \$200 per diem for work on a license appeal	

commission.....	55,000
Executive Ethics Commission	
For nine members.....	338,200
Illinois Power Agency	
For the Director.....	103,800
Pollution Control Board	
For the Chairman.....	121,100
For four members.....	468,200
Prisoner Review Board	
For the Chairman.....	95,900
For fourteen members of the Prisoner Review Board.....	1,202,500
Secretary of State Merit Commission	
For the Chairman.....	17,300
For four members.....	51,700
Educational Labor Relations Board	
For the Chairman.....	104,400
For four members.....	375,800
Department of State Police	
For five members of the State Police	
Merit Board, \$237 per diem, whichever is applicable in accordance with law, for a maximum of 100 days each.....	118,500
Department of Transportation	
For the Secretary.....	150,300
For the Assistant Secretary.....	127,800
Office of Small Business Utility Advocate	
For the small business utility advocate.....	0

(Source: P.A. 97-56, eff. 7-1-11.)

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

AMENDMENT NO. 3 SENATE BILL 2458

AMENDMENT NO. 3. Amend Senate Bill 2458, AS AMENDED, by replacing everything after the enacting clause with the following:

“Section 5. The amount of \$10,806,400, or so much thereof as may be necessary, is appropriated from the Personal Property Tax Replacement Fund to the Illinois State Board of Education for the fiscal year beginning July 1, 2011 for Regional Superintendents’ and Assistants’ Compensation and Related Benefits.

Section 10. The following named amounts, or so much thereof as may be necessary, are appropriated to the Illinois State Board of Education for the fiscal year beginning July 1, 2011:

From the Personal Property Tax Replacement Fund:

 For Regional Superintendents’ Services..... \$2,225,050

Section 15. “An Act making appropriations”, Public Act 97-56 is amended by changing Section 10 of Article 5 as follows:

(P.A. 97-56, Article 5, Section 10)

Sec. 10. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law:

From General Revenue Fund

 Department on Aging
 For the Director..... 115,700

 Department of Agriculture
 For the Director..... 133,300
 For the Assistant Director..... 113,200

 Department of Central Management Services
 For the Director..... 142,400
 For 2 Assistant Directors..... 242,100

 Department of Children and Family Services

For the Director	150,300
Department of Corrections	
For the Director	150,300
For the Assistant Director.....	127,800
Department of Commerce and Economic Opportunities	
For the Director	142,400
For the Assistant Director.....	121,100
Environmental Protection Agency	
For the Director	133,300
Department of Financial and Professional Regulation	
For the Secretary.....	135,100
For the Director	115,700
For the Director	124,100
Department of Human Services	
For the Secretary.....	150,300
For 2 Assistant Secretaries	255,500
Department of Insurance	
For the Director	135,100
Department of Juvenile Justice	
For the Director	120,400
Department of Labor	
For the Director	124,100
For the Assistant Director.....	113,200
For the Chief Factory Inspector	52,200
For the Superintendent of Safety Inspection and Education	57,400
Department of State Police	
For the Director	132,600
For the Assistant Director.....	113,200
Department of Military Affairs	
For the Adjutant General	115,700
For two Chief Assistants to the Adjutant General	197,100
Department of Natural Resources	
For the Director	133,300
For the Assistant Director.....	124,600
For six Mine Officers	94,000
For four Miners' Examining Officers.....	51,700
Illinois Labor Relations Board	
For the Chairman	104,400
For four State Labor Relations Board members.....	375,800
For two Local Labor Relations Board members.....	187,900
<u>For the Chairman of the Local Panel</u>	<u>0</u>
Department of Healthcare and Family Services	
For the Director	142,400
For the Assistant Director.....	121,100
Department of Public Health	
For the Director	150,300
For the Assistant Director.....	127,800
Department of Revenue	
For the Director	142,400
For the Assistant Director.....	121,100
<u>Department of Lottery</u>	
<u>For the Superintendent</u>	<u>0</u>
Property Tax Appeal Board	
For the Chairman	64,800

For four members	208,800
Department of Veterans' Affairs	
For the Director	115,700
For the Assistant Director.....	98,600
Civil Service Commission	
For the Chairman	30,500
For four members	101,300
Commerce Commission	
For the Chairman	134,100
For four members	468,200
Court of Claims	
For the Chief Judge	65,000
For the six Judges.....	359,600
State Board of Elections	
For the Chairman	58,500
For the Vice-Chairman	48,100
For six members	225,500
Illinois Emergency Management Agency	
For the Director	129,000
For the Assistant Director.....	115,700
Department of Human Rights	
For the Director	115,700
Human Rights Commission	
For the Chairman	52,200
For twelve members	563,600
Illinois Workers' Compensation Commission	
For the Chairman	125,300
For nine members	1,078,600
Liquor Control Commission	
For the Chairman	39,000
For six members	204,400
For the Secretary.....	37,600
For the Chairman and one member as designated by law, \$200 per diem for work on a license appeal commission.....	55,000
Executive Ethics Commission	
For nine members	338,200
Illinois Power Agency	
For the Director	103,800
Pollution Control Board	
For the Chairman	121,100
For four members	468,200
Prisoner Review Board	
For the Chairman	95,900
For fourteen members of the Prisoner Review Board.....	1,202,500
Secretary of State Merit Commission	
For the Chairman	17,300
For four members	51,700
Educational Labor Relations Board	
For the Chairman	104,400
For four members	375,800
Department of State Police	
For five members of the State Police Merit Board, \$237 per diem, whichever is applicable in accordance with law, for a maximum of 100 days each.....	118,500

Department of Transportation	
For the Secretary.....	150,300
For the Assistant Secretary.....	127,800
Office of Small Business Utility Advocate	
For the small business utility advocate	0

(Source: P.A. 97-56, eff. 7-1-11.)
Section 99. Effective date. This Act takes effect upon becoming law.”.

Under the rules, the foregoing **Senate Bill No. 2458**, with House Amendments numbered 1, 2 and 3, was referred to the Secretary’s Desk.

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

SENATE BILL NO. 965

A bill for AN ACT concerning transportation.
Passed the House, November 9, 2011.

TIMOTHY D. MAPES, Clerk of the House

REPORT FROM STANDING COMMITTEE

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

Motion to Concur in House Amendments 2 and 3 to Senate Bill 1226; Motion to Concur in House Amendments 5, 7 and 9 to Senate Bill 2147

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

Senator Lightford, Vice-Chairperson of the Committee on Education, to which was referred the following Motion in Writing, reported that the Committee recommends do adopt:

Motion to Accept Specific Recommendations for Change to **House Bill 190**

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

At the hour of 7:03 o'clock p.m., the Chair announced the Senate stand adjourned until Thursday, November 10, 2011, at 8:40 o'clock a.m.