
# SENATE JOURNAL

## STATE OF ILLINOIS

## NINETY-NINTH GENERAL ASSEMBLY

## 24TH LEGISLATIVE DAY

## WEDNESDAY, MARCH 25, 2015

## 12:08 O'CLOCK P.M.

NO. 24
[March 25, 2015]

**SENATE**
**Daily Journal Index**
**24th Legislative Day**

The Senate met pursuant to adjournment.
Honorable John J. Cullerton, President of the Senate, presiding.
Prayer by the Reverend Jean Hembrough, MacMurray College Chaplain, Jacksonville, Illinois.
Senator Cunningham led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Tuesday, March 24, 2015, be postponed, pending arrival of the printed Journal.
The motion prevailed.

## REPORT RECEIVED

The Secretary placed before the Senate the following report:

CMS Bilingual Employee Report, submitted by the Department of Central Management Services.

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

## LEGISLATIVE MEASURES FILED

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

Committee Amendment No. 1 to Senate Bill 1236

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

Floor Amendment No. 3 to Senate Bill 728
Floor Amendment No. 1 to Senate Bill 1354

## PRESENTATION OF RESOLUTION

### SENATE RESOLUTION NO. 250

Offered by Senator Koehler and all Senators:
Mourns the death of Lily Wei-Jeo Lee of Peoria.

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

## REPORTS FROM STANDING COMMITTEES

Senator Morrison, Vice-Chairperson of the Committee on Higher Education, to which was referred **Senate Bills Numbered 1204, 1255, 1465, 1775, 1847 and 1947,** reported the same back with the recommendation that the bills do pass.
Under the rules, the bills were ordered to a second reading.

Senator Morrison, Vice-Chairperson of the Committee on Human Services, to which was referred **Senate Bills Numbered 13, 1729 and 1754,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.
Under the rules, the bills were ordered to a second reading.

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **Senate Bills Numbered 1629 and 1745,** reported the same back with the recommendation that the bills do pass.

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

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **Senate Bills Numbered 116, 369, 728 and 1206,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

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

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred **Senate Bill No. 1747,** reported the same back with the recommendation that the bill 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 **Senate Bills Numbered 9, 32, 67, 845, 1389, 1560 and 1798,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

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

Senator Forby, Chairperson of the Committee on Labor, to which was referred **Senate Bills Numbered 1610, 1683 and 1859,** reported the same back with the recommendation that the bills do pass.

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

Senator Forby, Chairperson of the Committee on Labor, to which was referred **Senate Joint Resolution No. 7,** reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Joint Resolution No. 7** was placed on the Secretary's Desk.

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **Senate Bills Numbered 1281 and 1942,** reported the same back with the recommendation that the bills do pass.

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

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **Senate Bills Numbered 742, 1539, 1861 and 1882,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

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

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **Senate Resolution No. 142,** reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Resolution No. 142** was placed on the Secretary's Desk.

**COMMITTEE REPORT CORRECTION**

On March 24, 2015, the Senate Committee on Transportation omitted Senate Bill 1482 from its report to the Senate. Senate Bill 1482 is reported to the Senate with a recommendation of "do pass."

At the hour of 12:14 o'clock p.m., the Chair announced that the Senate stand at ease.

**AT EASE**

At the hour of 12:15 o'clock p.m., the Senate resumed consideration of business.
President Cullerton, presiding.

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

On motion of Senator Steans, **House Bill No. 317** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Steans, **House Bill No. 318** was taken up, read by title a second time and ordered to a third reading.

**COMMITTEE REPORT CORRECTION**

On March 24, 2015, the Senate Committee on Judiciary reported Senate Bill 871 with a recommendation of "do pass" in its report to the Senate. Senate Bill 871 was postponed.

**REPORT FROM COMMITTEE ON ASSIGNMENTS**

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 25, 2015 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Executive: **Committee Amendment No. 1 to Senate Bill 1382**.

Judiciary: **Committee Amendment No. 1 to Senate Bill 1746**.

Public Health: **Floor Amendment No. 1 to Senate Bill 1354**.

Revenue: **Committee Amendment No. 1 to Senate Bill 1211; Committee Amendment No. 1 to Senate Bill 1236**.

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

On motion of Senator Hunter, **Senate Bill No. 12** having been printed, was taken up, read by title a second time.

Floor Amendment No. 1 was postponed in the Committee on Human Services.

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

On motion of Senator Mulroe, **Senate Bill No. 54** having been printed, was taken up, read by title a second time.

Committee Amendment No. 1 was held in the Committee on Insurance.

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

**AMENDMENT NO. 2 TO SENATE BILL 54**

AMENDMENT NO. 2. Amend Senate Bill 54 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Insurance Code is amended by changing Section 356g as follows:

(215 ILCS 5/356g) (from Ch. 73, par. 968g)

Sec. 356g. Mammograms; mastectomies.

(a) Every insurer shall provide in each group or individual policy, contract, or certificate of insurance issued or renewed for persons who are residents of this State, coverage for screening by low-dose mammography for all women 35 years of age or older for the presence of occult breast cancer within the provisions of the policy, contract, or certificate. The coverage shall be as follows:

(1) A baseline mammogram for women 35 to 39 years of age.

(2) An annual mammogram for women 40 years of age or older.

(3) A mammogram at the age and intervals considered medically necessary by the woman's health care provider for women under 40 years of age and having a family history of breast cancer, prior personal history of breast cancer, positive genetic testing, or other risk factors.

(4) A comprehensive ultrasound screening of an entire breast or breasts if a mammogram

demonstrates heterogeneous or dense breast tissue, when medically necessary as determined by a physician licensed to practice medicine in all of its branches.

For purposes of this Section, "low-dose mammography" means the x-ray examination of the breast using equipment dedicated specifically for mammography, including the x-ray tube, filter, compression device, and image receptor, with radiation exposure delivery of less than 1 rad per breast for 2 views of an average size breast. The term also includes digital mammography and may include breast tomosynthesis. As used in this Section, the term "breast tomosynthesis" means a radiologic procedure that involves the acquisition of projection images over the stationary breast to produce cross-sectional digital three-dimensional images of the breast.

(a-5) Coverage as described by subsection (a) shall be provided at no cost to the insured and shall not be applied to an annual or lifetime maximum benefit.

(a-10) When health care services are available through contracted providers and a person does not comply with plan provisions specific to the use of contracted providers, the requirements of subsection (a-5) are not applicable. When a person does not comply with plan provisions specific to the use of contracted providers, plan provisions specific to the use of non-contracted providers must be applied without distinction for coverage required by this Section and shall be at least as favorable as for other radiological examinations covered by the policy or contract.

(b) No policy of accident or health insurance that provides for the surgical procedure known as a mastectomy shall be issued, amended, delivered, or renewed in this State unless that coverage also provides for prosthetic devices or reconstructive surgery incident to the mastectomy. Coverage for breast reconstruction in connection with a mastectomy shall include:

(1) reconstruction of the breast upon which the mastectomy has been performed;

(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

(3) prostheses and treatment for physical complications at all stages of mastectomy, including lymphedemas.

Care shall be determined in consultation with the attending physician and the patient. The offered coverage for prosthetic devices and reconstructive surgery shall be subject to the deductible and coinsurance conditions applied to the mastectomy, and all other terms and conditions applicable to other benefits. When a mastectomy is performed and there is no evidence of malignancy then the offered coverage may be limited to the provision of prosthetic devices and reconstructive surgery to within 2 years after the date of the mastectomy. As used in this Section, "mastectomy" means the removal of all or part of the breast for medically necessary reasons, as determined by a licensed physician.

Written notice of the availability of coverage under this Section shall be delivered to the insured upon enrollment and annually thereafter. An insurer may not deny to an insured eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan solely for the purpose of avoiding the requirements of this Section. An insurer may not penalize or reduce or limit the reimbursement of an attending provider or provide incentives (monetary or otherwise) to an attending provider to induce the provider to provide care to an insured in a manner inconsistent with this Section.

(c) Rulemaking authority to implement this amendatory Act of the 95th General Assembly, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 94-121, eff. 7-6-05; 95-431, eff. 8-24-07; 95-1045, eff. 3-27-09.)

Section 10. The Health Maintenance Organization Act is amended by changing Section 4-6.1 as follows: (215 ILCS 125/4-6.1) (from Ch. 111 1/2, par. 1408.7)

Sec. 4-6.1. Mammograms; mastectomies.

(a) Every contract or evidence of coverage issued by a Health Maintenance Organization for persons who are residents of this State shall contain coverage for screening by low-dose mammography for all women 35 years of age or older for the presence of occult breast cancer. The coverage shall be as follows:

(1) A baseline mammogram for women 35 to 39 years of age.

(2) An annual mammogram for women 40 years of age or older.

(3) A mammogram at the age and intervals considered medically necessary by the woman's health care provider for women under 40 years of age and having a family history of breast cancer, prior personal history of breast cancer, positive genetic testing, or other risk factors.

(4) A comprehensive ultrasound screening of an entire breast or breasts if a mammogram demonstrates heterogeneous or dense breast tissue, when medically necessary as determined by a physician licensed to practice medicine in all of its branches.

For purposes of this Section, "low-dose mammography" means the x-ray examination of the breast using equipment dedicated specifically for mammography, including the x-ray tube, filter, compression device, and image receptor, with radiation exposure delivery of less than 1 rad per breast for 2 views of an average size breast. The term also includes digital mammography and may include breast tomosynthesis. As used in this Section, the term "breast tomosynthesis" means a radiologic procedure that involves the acquisition of projection images over the stationary breast to produce cross-sectional digital three-dimensional images of the breast.

(a-5) Coverage as described in subsection (a) shall be provided at no cost to the enrollee and shall not be applied to an annual or lifetime maximum benefit.

(b) No contract or evidence of coverage issued by a health maintenance organization that provides for the surgical procedure known as a mastectomy shall be issued, amended, delivered, or renewed in this State on or after the effective date of this amendatory Act of the 92nd General Assembly unless that coverage also provides for prosthetic devices or reconstructive surgery incident to the mastectomy, providing that the mastectomy is performed after the effective date of this amendatory Act. Coverage for breast reconstruction in connection with a mastectomy shall include:

(1) reconstruction of the breast upon which the mastectomy has been performed;

(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

(3) prostheses and treatment for physical complications at all stages of mastectomy, including lymphedemas.

Care shall be determined in consultation with the attending physician and the patient. The offered coverage for prosthetic devices and reconstructive surgery shall be subject to the deductible and coinsurance conditions applied to the mastectomy and all other terms and conditions applicable to other benefits. When a mastectomy is performed and there is no evidence of malignancy, then the offered coverage may be limited to the provision of prosthetic devices and reconstructive surgery to within 2 years after the date of the mastectomy. As used in this Section, "mastectomy" means the removal of all or part of the breast for medically necessary reasons, as determined by a licensed physician.

Written notice of the availability of coverage under this Section shall be delivered to the enrollee upon enrollment and annually thereafter. A health maintenance organization may not deny to an enrollee eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan solely for the purpose of avoiding the requirements of this Section. A health maintenance organization may not penalize or reduce or limit the reimbursement of an attending provider or provide incentives (monetary or otherwise) to an attending provider to induce the provider to provide care to an insured in a manner inconsistent with this Section.

(c) Rulemaking authority to implement this amendatory Act of the 95th General Assembly, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 94-121, eff. 7-6-05; 95-431, eff. 8-24-07; 95-1045, eff. 3-27-09.)

Section 15. The Illinois Public Aid Code is amended by changing Section 5-5 as follows:

(305 ILCS 5/5-5) (from Ch. 23, par. 5-5)

Sec. 5-5. Medical services. The Illinois Department, by rule, shall determine the quantity and quality of and the rate of reimbursement for the medical assistance for which payment will be authorized, and the medical services to be provided, which may include all or part of the following: (1) inpatient hospital services; (2) outpatient hospital services; (3) other laboratory and X-ray services; (4) skilled nursing home services; (5) physicians' services whether furnished in the office, the patient's home, a hospital, a skilled nursing home, or elsewhere; (6) medical care, or any other type of remedial care furnished by licensed practitioners; (7) home health care services; (8) private duty nursing service; (9) clinic services; (10) dental services, including prevention and treatment of periodontal disease and dental caries disease for pregnant women, provided by an individual licensed to practice dentistry or dental surgery; for purposes of this item (10), "dental services" means diagnostic, preventive, or corrective procedures provided by or under the supervision of a dentist in the practice of his or her profession; (11) physical therapy and related services; (12) prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in the diseases of the eye, or by an optometrist, whichever the person may select; (13) other diagnostic, screening, preventive, and rehabilitative services, including to ensure that the individual's need for intervention or treatment of mental disorders or substance use disorders or co-occurring mental health and substance use disorders is determined using a uniform screening, assessment, and evaluation process inclusive of criteria, for children and adults; for purposes of this item (13), a uniform screening,

assessment, and evaluation process refers to a process that includes an appropriate evaluation and, as warranted, a referral; "uniform" does not mean the use of a singular instrument, tool, or process that all must utilize; (14) transportation and such other expenses as may be necessary; (15) medical treatment of sexual assault survivors, as defined in Section 1a of the Sexual Assault Survivors Emergency Treatment Act, for injuries sustained as a result of the sexual assault, including examinations and laboratory tests to discover evidence which may be used in criminal proceedings arising from the sexual assault; (16) the diagnosis and treatment of sickle cell anemia; and (17) any other medical care, and any other type of remedial care recognized under the laws of this State, but not including abortions, or induced miscarriages or premature births, unless, in the opinion of a physician, such procedures are necessary for the preservation of the life of the woman seeking such treatment, or except an induced premature birth intended to produce a live viable child and such procedure is necessary for the health of the mother or her unborn child. The Illinois Department, by rule, shall prohibit any physician from providing medical assistance to anyone eligible therefor under this Code where such physician has been found guilty of performing an abortion procedure in a wilful and wanton manner upon a woman who was not pregnant at the time such abortion procedure was performed. The term "any other type of remedial care" shall include nursing care and nursing home service for persons who rely on treatment by spiritual means alone through prayer for healing.

Notwithstanding any other provision of this Section, a comprehensive tobacco use cessation program that includes purchasing prescription drugs or prescription medical devices approved by the Food and Drug Administration shall be covered under the medical assistance program under this Article for persons who are otherwise eligible for assistance under this Article.

Notwithstanding any other provision of this Code, the Illinois Department may not require, as a condition of payment for any laboratory test authorized under this Article, that a physician's handwritten signature appear on the laboratory test order form. The Illinois Department may, however, impose other appropriate requirements regarding laboratory test order documentation.

Upon receipt of federal approval of an amendment to the Illinois Title XIX State Plan for this purpose, the Department shall authorize the Chicago Public Schools (CPS) to procure a vendor or vendors to manufacture eyeglasses for individuals enrolled in a school within the CPS system. CPS shall ensure that its vendor or vendors are enrolled as providers in the medical assistance program and in any capitated Medicaid managed care entity (MCE) serving individuals enrolled in a school within the CPS system. Under any contract procured under this provision, the vendor or vendors must serve only individuals enrolled in a school within the CPS system. Claims for services provided by CPS's vendor or vendors to recipients of benefits in the medical assistance program under this Code, the Children's Health Insurance Program, or the Covering ALL KIDS Health Insurance Program shall be submitted to the Department or the MCE in which the individual is enrolled for payment and shall be reimbursed at the Department's or the MCE's established rates or rate methodologies for eyeglasses.

On and after July 1, 2012, the Department of Healthcare and Family Services may provide the following services to persons eligible for assistance under this Article who are participating in education, training or employment programs operated by the Department of Human Services as successor to the Department of Public Aid:

(1) dental services provided by or under the supervision of a dentist; and

(2) eyeglasses prescribed by a physician skilled in the diseases of the eye, or by an optometrist, whichever the person may select.

Notwithstanding any other provision of this Code and subject to federal approval, the Department may adopt rules to allow a dentist who is volunteering his or her service at no cost to render dental services through an enrolled not-for-profit health clinic without the dentist personally enrolling as a participating provider in the medical assistance program. A not-for-profit health clinic shall include a public health clinic or Federally Qualified Health Center or other enrolled provider, as determined by the Department, through which dental services covered under this Section are performed. The Department shall establish a process for payment of claims for reimbursement for covered dental services rendered under this provision.

The Illinois Department, by rule, may distinguish and classify the medical services to be provided only in accordance with the classes of persons designated in Section 5-2.

The Department of Healthcare and Family Services must provide coverage and reimbursement for amino acid-based elemental formulas, regardless of delivery method, for the diagnosis and treatment of (i) eosinophilic disorders and (ii) short bowel syndrome when the prescribing physician has issued a written order stating that the amino acid-based elemental formula is medically necessary.

The Illinois Department shall authorize the provision of, and shall authorize payment for, screening by low-dose mammography for the presence of occult breast cancer for women 35 years of age or older who are eligible for medical assistance under this Article, as follows:

(A) A baseline mammogram for women 35 to 39 years of age.

(B) An annual mammogram for women 40 years of age or older.

(C) A mammogram at the age and intervals considered medically necessary by the woman's health care provider for women under 40 years of age and having a family history of breast cancer, prior personal history of breast cancer, positive genetic testing, or other risk factors.

(D) A comprehensive ultrasound screening of an entire breast or breasts if a mammogram demonstrates heterogeneous or dense breast tissue, when medically necessary as determined by a physician licensed to practice medicine in all of its branches.

All screenings shall include a physical breast exam, instruction on self-examination and information regarding the frequency of self-examination and its value as a preventative tool. For purposes of this Section, "low-dose mammography" means the x-ray examination of the breast using equipment dedicated specifically for mammography, including the x-ray tube, filter, compression device, and image receptor, with an average radiation exposure delivery of less than one rad per breast for 2 views of an average size breast. The term also includes digital mammography and may include breast tomosynthesis. As used in this Section, the term "breast tomosynthesis" means a radiologic procedure that involves the acquisition of projection images over the stationary breast to produce cross-sectional digital three-dimensional images of the breast.

On and after January 1, 2012, providers participating in a quality improvement program approved by the Department shall be reimbursed for screening and diagnostic mammography at the same rate as the Medicare program's rates, including the increased reimbursement for digital mammography.

The Department shall convene an expert panel including representatives of hospitals, free-standing mammography facilities, and doctors, including radiologists, to establish quality standards.

Subject to federal approval, the Department shall establish a rate methodology for mammography at federally qualified health centers and other encounter-rate clinics. These clinics or centers may also collaborate with other hospital-based mammography facilities.

The Department shall establish a methodology to remind women who are age-appropriate for screening mammography, but who have not received a mammogram within the previous 18 months, of the importance and benefit of screening mammography.

The Department shall establish a performance goal for primary care providers with respect to their female patients over age 40 receiving an annual mammogram. This performance goal shall be used to provide additional reimbursement in the form of a quality performance bonus to primary care providers who meet that goal.

The Department shall devise a means of case-managing or patient navigation for beneficiaries diagnosed with breast cancer. This program shall initially operate as a pilot program in areas of the State with the highest incidence of mortality related to breast cancer. At least one pilot program site shall be in the metropolitan Chicago area and at least one site shall be outside the metropolitan Chicago area. An evaluation of the pilot program shall be carried out measuring health outcomes and cost of care for those served by the pilot program compared to similarly situated patients who are not served by the pilot program.

Any medical or health care provider shall immediately recommend, to any pregnant woman who is being provided prenatal services and is suspected of drug abuse or is addicted as defined in the Alcoholism and Other Drug Abuse and Dependency Act, referral to a local substance abuse treatment provider licensed by the Department of Human Services or to a licensed hospital which provides substance abuse treatment services. The Department of Healthcare and Family Services shall assure coverage for the cost of treatment of the drug abuse or addiction for pregnant recipients in accordance with the Illinois Medicaid Program in conjunction with the Department of Human Services.

All medical providers providing medical assistance to pregnant women under this Code shall receive information from the Department on the availability of services under the Drug Free Families with a Future or any comparable program providing case management services for addicted women, including information on appropriate referrals for other social services that may be needed by addicted women in addition to treatment for addiction.

The Illinois Department, in cooperation with the Departments of Human Services (as successor to the Department of Alcoholism and Substance Abuse) and Public Health, through a public awareness campaign, may provide information concerning treatment for alcoholism and drug abuse and addiction, prenatal health care, and other pertinent programs directed at reducing the number of drug-affected infants born to recipients of medical assistance.

Neither the Department of Healthcare and Family Services nor the Department of Human Services shall sanction the recipient solely on the basis of her substance abuse.

The Illinois Department shall establish such regulations governing the dispensing of health services under this Article as it shall deem appropriate. The Department should seek the advice of formal professional advisory committees appointed by the Director of the Illinois Department for the purpose of providing regular advice on policy and administrative matters, information dissemination and educational activities for medical and health care providers, and consistency in procedures to the Illinois Department.

The Illinois Department may develop and contract with Partnerships of medical providers to arrange medical services for persons eligible under Section 5-2 of this Code. Implementation of this Section may be by demonstration projects in certain geographic areas. The Partnership shall be represented by a sponsor organization. The Department, by rule, shall develop qualifications for sponsors of Partnerships. Nothing in this Section shall be construed to require that the sponsor organization be a medical organization.

The sponsor must negotiate formal written contracts with medical providers for physician services, inpatient and outpatient hospital care, home health services, treatment for alcoholism and substance abuse, and other services determined necessary by the Illinois Department by rule for delivery by Partnerships. Physician services must include prenatal and obstetrical care. The Illinois Department shall reimburse medical services delivered by Partnership providers to clients in target areas according to provisions of this Article and the Illinois Health Finance Reform Act, except that:

(1) Physicians participating in a Partnership and providing certain services, which shall be determined by the Illinois Department, to persons in areas covered by the Partnership may receive an additional surcharge for such services.

(2) The Department may elect to consider and negotiate financial incentives to encourage the development of Partnerships and the efficient delivery of medical care.

(3) Persons receiving medical services through Partnerships may receive medical and case management services above the level usually offered through the medical assistance program.

Medical providers shall be required to meet certain qualifications to participate in Partnerships to ensure the delivery of high quality medical services. These qualifications shall be determined by rule of the Illinois Department and may be higher than qualifications for participation in the medical assistance program. Partnership sponsors may prescribe reasonable additional qualifications for participation by medical providers, only with the prior written approval of the Illinois Department.

Nothing in this Section shall limit the free choice of practitioners, hospitals, and other providers of medical services by clients. In order to ensure patient freedom of choice, the Illinois Department shall immediately promulgate all rules and take all other necessary actions so that provided services may be accessed from therapeutically certified optometrists to the full extent of the Illinois Optometric Practice Act of 1987 without discriminating between service providers.

The Department shall apply for a waiver from the United States Health Care Financing Administration to allow for the implementation of Partnerships under this Section.

The Illinois Department shall require health care providers to maintain records that document the medical care and services provided to recipients of Medical Assistance under this Article. Such records must be retained for a period of not less than 6 years from the date of service or as provided by applicable State law, whichever period is longer, except that if an audit is initiated within the required retention period then the records must be retained until the audit is completed and every exception is resolved. The Illinois Department shall require health care providers to make available, when authorized by the patient, in writing, the medical records in a timely fashion to other health care providers who are treating or serving persons eligible for Medical Assistance under this Article. All dispensers of medical services shall be required to maintain and retain business and professional records sufficient to fully and accurately document the nature, scope, details and receipt of the health care provided to persons eligible for medical assistance under this Code, in accordance with regulations promulgated by the Illinois Department. The rules and regulations shall require that proof of the receipt of prescription drugs, dentures, prosthetic devices and eyeglasses by eligible persons under this Section accompany each claim for reimbursement submitted by the dispenser of such medical services. No such claims for reimbursement shall be approved for payment by the Illinois Department without such proof of receipt, unless the Illinois Department shall have put into effect and shall be operating a system of post-payment audit and review which shall, on a sampling basis, be deemed adequate by the Illinois Department to assure that such drugs, dentures, prosthetic devices and eyeglasses for which payment is being made are actually being received by eligible recipients. Within 90 days after the effective date of this amendatory Act of 1984, the Illinois Department shall establish a current list of acquisition costs for all prosthetic devices and any other items recognized as medical equipment and supplies reimbursable under this Article and shall update such list on a quarterly basis, except that the acquisition costs of all prescription drugs shall be updated no less frequently than every 30 days as required by Section 5-5.12.

The rules and regulations of the Illinois Department shall require that a written statement including the required opinion of a physician shall accompany any claim for reimbursement for abortions, or induced miscarriages or premature births. This statement shall indicate what procedures were used in providing such medical services.

Notwithstanding any other law to the contrary, the Illinois Department shall, within 365 days after July 22, 2013~~,~~ (the effective date of Public Act 98-104), establish procedures to permit skilled care facilities licensed under the Nursing Home Care Act to submit monthly billing claims for reimbursement purposes. Following development of these procedures, the Department shall have an additional 365 days to test the viability of the new system and to ensure that any necessary operational or structural changes to its information technology platforms are implemented.

Notwithstanding any other law to the contrary, the Illinois Department shall, within 365 days after August 15, 2014 (the effective date of Public Act 98-963) ~~this amendatory Act of the 98th General Assembly~~, establish procedures to permit ID/DD facilities licensed under the ID/DD Community Care Act to submit monthly billing claims for reimbursement purposes. Following development of these procedures, the Department shall have an additional 365 days to test the viability of the new system and to ensure that any necessary operational or structural changes to its information technology platforms are implemented.

The Illinois Department shall require all dispensers of medical services, other than an individual practitioner or group of practitioners, desiring to participate in the Medical Assistance program established under this Article to disclose all financial, beneficial, ownership, equity, surety or other interests in any and all firms, corporations, partnerships, associations, business enterprises, joint ventures, agencies, institutions or other legal entities providing any form of health care services in this State under this Article.

The Illinois Department may require that all dispensers of medical services desiring to participate in the medical assistance program established under this Article disclose, under such terms and conditions as the Illinois Department may by rule establish, all inquiries from clients and attorneys regarding medical bills paid by the Illinois Department, which inquiries could indicate potential existence of claims or liens for the Illinois Department.

Enrollment of a vendor shall be subject to a provisional period and shall be conditional for one year. During the period of conditional enrollment, the Department may terminate the vendor's eligibility to participate in, or may disenroll the vendor from, the medical assistance program without cause. Unless otherwise specified, such termination of eligibility or disenrollment is not subject to the Department's hearing process. However, a disenrolled vendor may reapply without penalty.

The Department has the discretion to limit the conditional enrollment period for vendors based upon category of risk of the vendor.

Prior to enrollment and during the conditional enrollment period in the medical assistance program, all vendors shall be subject to enhanced oversight, screening, and review based on the risk of fraud, waste, and abuse that is posed by the category of risk of the vendor. The Illinois Department shall establish the procedures for oversight, screening, and review, which may include, but need not be limited to: criminal and financial background checks; fingerprinting; license, certification, and authorization verifications; unscheduled or unannounced site visits; database checks; prepayment audit reviews; audits; payment caps; payment suspensions; and other screening as required by federal or State law.

The Department shall define or specify the following: (i) by provider notice, the "category of risk of the vendor" for each type of vendor, which shall take into account the level of screening applicable to a particular category of vendor under federal law and regulations; (ii) by rule or provider notice, the maximum length of the conditional enrollment period for each category of risk of the vendor; and (iii) by rule, the hearing rights, if any, afforded to a vendor in each category of risk of the vendor that is terminated or disenrolled during the conditional enrollment period.

To be eligible for payment consideration, a vendor's payment claim or bill, either as an initial claim or as a resubmitted claim following prior rejection, must be received by the Illinois Department, or its fiscal intermediary, no later than 180 days after the latest date on the claim on which medical goods or services were provided, with the following exceptions:

(1) In the case of a provider whose enrollment is in process by the Illinois Department, the 180-day period shall not begin until the date on the written notice from the Illinois Department that the provider enrollment is complete.

(2) In the case of errors attributable to the Illinois Department or any of its claims processing intermediaries which result in an inability to receive, process, or adjudicate a claim, the 180-day period shall not begin until the provider has been notified of the error.

(3) In the case of a provider for whom the Illinois Department initiates the monthly billing process.

(4) In the case of a provider operated by a unit of local government with a population

exceeding 3,000,000 when local government funds finance federal participation for claims payments.

For claims for services rendered during a period for which a recipient received retroactive eligibility, claims must be filed within 180 days after the Department determines the applicant is eligible. For claims for which the Illinois Department is not the primary payer, claims must be submitted to the Illinois Department within 180 days after the final adjudication by the primary payer.

In the case of long term care facilities, within 5 days of receipt by the facility of required prescreening information, data for new admissions shall be entered into the Medical Electronic Data Interchange (MEDI) or the Recipient Eligibility Verification (REV) System or successor system, and within 15 days of receipt by the facility of required prescreening information, admission documents shall be submitted through MEDI or REV or shall be submitted directly to the Department of Human Services using required admission forms. Effective September 1, 2014, admission documents, including all prescreening information, must be submitted through MEDI or REV. Confirmation numbers assigned to an accepted transaction shall be retained by a facility to verify timely submittal. Once an admission transaction has been completed, all resubmitted claims following prior rejection are subject to receipt no later than 180 days after the admission transaction has been completed.

Claims that are not submitted and received in compliance with the foregoing requirements shall not be eligible for payment under the medical assistance program, and the State shall have no liability for payment of those claims.

To the extent consistent with applicable information and privacy, security, and disclosure laws, State and federal agencies and departments shall provide the Illinois Department access to confidential and other information and data necessary to perform eligibility and payment verifications and other Illinois Department functions. This includes, but is not limited to: information pertaining to licensure; certification; earnings; immigration status; citizenship; wage reporting; unearned and earned income; pension income; employment; supplemental security income; social security numbers; National Provider Identifier (NPI) numbers; the National Practitioner Data Bank (NPDB); program and agency exclusions; taxpayer identification numbers; tax delinquency; corporate information; and death records.

The Illinois Department shall enter into agreements with State agencies and departments, and is authorized to enter into agreements with federal agencies and departments, under which such agencies and departments shall share data necessary for medical assistance program integrity functions and oversight. The Illinois Department shall develop, in cooperation with other State departments and agencies, and in compliance with applicable federal laws and regulations, appropriate and effective methods to share such data. At a minimum, and to the extent necessary to provide data sharing, the Illinois Department shall enter into agreements with State agencies and departments, and is authorized to enter into agreements with federal agencies and departments, including but not limited to: the Secretary of State; the Department of Revenue; the Department of Public Health; the Department of Human Services; and the Department of Financial and Professional Regulation.

Beginning in fiscal year 2013, the Illinois Department shall set forth a request for information to identify the benefits of a pre-payment, post-adjudication, and post-edit claims system with the goals of streamlining claims processing and provider reimbursement, reducing the number of pending or rejected claims, and helping to ensure a more transparent adjudication process through the utilization of: (i) provider data verification and provider screening technology; and (ii) clinical code editing; and (iii) pre-pay, pre- or post-adjudicated predictive modeling with an integrated case management system with link analysis. Such a request for information shall not be considered as a request for proposal or as an obligation on the part of the Illinois Department to take any action or acquire any products or services.

The Illinois Department shall establish policies, procedures, standards and criteria by rule for the acquisition, repair and replacement of orthotic and prosthetic devices and durable medical equipment. Such rules shall provide, but not be limited to, the following services: (1) immediate repair or replacement of such devices by recipients; and (2) rental, lease, purchase or lease-purchase of durable medical equipment in a cost-effective manner, taking into consideration the recipient's medical prognosis, the extent of the recipient's needs, and the requirements and costs for maintaining such equipment. Subject to prior approval, such rules shall enable a recipient to temporarily acquire and use alternative or substitute devices or equipment pending repairs or replacements of any device or equipment previously authorized for such recipient by the Department.

The Department shall execute, relative to the nursing home prescreening project, written inter-agency agreements with the Department of Human Services and the Department on Aging, to effect the following: (i) intake procedures and common eligibility criteria for those persons who are receiving non-institutional services; and (ii) the establishment and development of non-institutional services in areas of the State where they are not currently available or are undeveloped; and (iii) notwithstanding any other provision of law, subject to federal approval, on and after July 1, 2012, an increase in the determination of need

(DON) scores from 29 to 37 for applicants for institutional and home and community-based long term care; if and only if federal approval is not granted, the Department may, in conjunction with other affected agencies, implement utilization controls or changes in benefit packages to effectuate a similar savings amount for this population; and (iv) no later than July 1, 2013, minimum level of care eligibility criteria for institutional and home and community-based long term care; and (v) no later than October 1, 2013, establish procedures to permit long term care providers access to eligibility scores for individuals with an admission date who are seeking or receiving services from the long term care provider. In order to select the minimum level of care eligibility criteria, the Governor shall establish a workgroup that includes affected agency representatives and stakeholders representing the institutional and home and community-based long term care interests. This Section shall not restrict the Department from implementing lower level of care eligibility criteria for community-based services in circumstances where federal approval has been granted.

The Illinois Department shall develop and operate, in cooperation with other State Departments and agencies and in compliance with applicable federal laws and regulations, appropriate and effective systems of health care evaluation and programs for monitoring of utilization of health care services and facilities, as it affects persons eligible for medical assistance under this Code.

The Illinois Department shall report annually to the General Assembly, no later than the second Friday in April of 1979 and each year thereafter, in regard to:

(a) actual statistics and trends in utilization of medical services by public aid recipients;

(b) actual statistics and trends in the provision of the various medical services by medical vendors;

(c) current rate structures and proposed changes in those rate structures for the various medical vendors; and

(d) efforts at utilization review and control by the Illinois Department.

The period covered by each report shall be the 3 years ending on the June 30 prior to the report. The report shall include suggested legislation for consideration by the General Assembly. The filing of one copy of the report with the Speaker, one copy with the Minority Leader and one copy with the Clerk of the House of Representatives, one copy with the President, one copy with the Minority Leader and one copy with the Secretary of the Senate, one copy with the Legislative Research Unit, and 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 shall be deemed sufficient to comply with this Section.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

On and after July 1, 2012, the Department shall reduce any rate of reimbursement for services or other payments or alter any methodologies authorized by this Code to reduce any rate of reimbursement for services or other payments in accordance with Section 5-5e.

Because kidney transplantation can be an appropriate, cost effective alternative to renal dialysis when medically necessary and notwithstanding the provisions of Section 1-11 of this Code, beginning October 1, 2014, the Department shall cover kidney transplantation for noncitizens with end-stage renal disease who are not eligible for comprehensive medical benefits, who meet the residency requirements of Section 5-3 of this Code, and who would otherwise meet the financial requirements of the appropriate class of eligible persons under Section 5-2 of this Code. To qualify for coverage of kidney transplantation, such person must be receiving emergency renal dialysis services covered by the Department. Providers under this Section shall be prior approved and certified by the Department to perform kidney transplantation and the services under this Section shall be limited to services associated with kidney transplantation.

(Source: P.A. 97-48, eff. 6-28-11; 97-638, eff. 1-1-12; 97-689, eff. 6-14-12; 97-1061, eff. 8-24-12; 98-104, Article 9, Section 9-5, eff. 7-22-13; 98-104, Article 12, Section 12-20, eff. 7-22-13; 98-303, eff. 8-9-13; 98-463, eff. 8-16-13; 98-651, eff. 6-16-14; 98-756, eff. 7-16-14; 98-963, eff. 8-15-14; revised 10-2-14.)

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

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

On motion of Senator McCann, **Senate Bill No. 70** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 70**

AMENDMENT NO. 1. Amend Senate Bill 70 as follows:

on page 1, line 9, by replacing "bicycle" with "electric bicycle and low-speed gas bicycle"; and

on page 3, line 12, by replacing "and low-speed electric" with "low-speed electric bicycle, and low-speed gas"; and

on page 3, lines 15 and 16, by replacing "or low-speed electric bicycle" with "low-speed electric bicycle, or low-speed gas bicycle"; and

on page 3, line 18, by replacing "or low-speed electric bicycle" with "low-speed electric bicycle, or low-speed gas bicycle".

**AMENDMENT NO. 2 TO SENATE BILL 70**

AMENDMENT NO. 2. Amend Senate Bill 70 as follows:

on page 1, by replacing line 5 with "Sections 11-1507.1 and 12-201 as follows:"; and

by deleting line 6 on page 1 through line 22 on page 2; and

on page 3, by replacing lines 12 through 18 with the following:

"motorcycle, motor-driven cycle, and moped shall at all times exhibit at least one lighted lamp, showing a white light visible for at least 500 feet in the direction the motorcycle, motor-driven cycle, or moped is proceeding. However, in lieu of the ~~such~~ lighted lamp, a motorcycle , motor-driven cycle, or moped may be equipped with and use a".

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

On motion of Senator Lightford, **Senate Bill No. 100** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 100**

AMENDMENT NO. 1. Amend Senate Bill 100 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Sections 10-20.14, 10-22.6, 27A-5, and 34-19 as follows:

(105 ILCS 5/10-20.14) (from Ch. 122, par. 10-20.14)

Sec. 10-20.14. Student discipline policies; Parent-teacher advisory committee.

(a) To establish and maintain a parent-teacher advisory committee to develop with the school board or governing body of a charter school policy guidelines on pupil discipline, including school searches and bullying prevention as set forth in Section 27-23.7 of this Code. School authorities shall ~~, to~~ furnish a copy of the policy to the parents or guardian of each pupil within 15 days after the beginning of the school year, or within 15 days after starting classes for a pupil who transfers into the district during the school year, and the school board or governing body of a charter school shall ~~to~~ require that a ~~each~~ school inform ~~informs~~ its pupils of the contents of the ~~its~~ policy. School boards and the governing bodies of charter schools, along with the parent-teacher advisory committee, must ~~are encouraged to~~ annually review their pupil discipline policies, the implementation of those policies, and any other factors related to the safety of their schools, pupils, and staff.

(a-5) On or before September 15, 2016, each elementary and secondary school and charter school shall, at a minimum, adopt pupil discipline policies that fulfill the requirements set forth in this Section, subsections (a) and (b) of Section 10-22.6 of this Code, Section 34-19 of this Code if applicable, and federal and State laws that provide special requirements for the discipline of students with disabilities.

(b) The parent-teacher advisory committee in cooperation with local law enforcement agencies shall develop, with the school board, policy guideline procedures to establish and maintain a reciprocal reporting system between the school district and local law enforcement agencies regarding criminal offenses committed by students. School districts are encouraged to create memoranda of understanding with local law enforcement agencies that clearly define law enforcement's role in schools, in accordance with Section 10-22.6 of this Code.

(c) The parent-teacher advisory committee, in cooperation with school bus personnel, shall develop, with the school board, policy guideline procedures to establish and maintain school bus safety procedures. These procedures shall be incorporated into the district's pupil discipline policy.

(d) The school board, in consultation with the parent-teacher advisory committee and other community-based organizations, must include provisions in the student discipline policy to address students who have demonstrated behaviors that put them at risk for aggressive behavior, including without limitation bullying, as defined in the policy. These provisions must include procedures for notifying parents or legal guardians and early intervention procedures based upon available community-based and district resources. (Source: P.A. 91-272, eff. 1-1-00; 92-260, eff. 1-1-02.)

(105 ILCS 5/10-22.6) (from Ch. 122, par. 10-22.6)

Sec. 10-22.6. Suspension or expulsion of pupils; school searches.

(a) To expel pupils guilty of gross disobedience or misconduct, including gross disobedience or misconduct perpetuated by electronic means, pursuant to subsection (b-20) of this Section, and no action shall lie against them for such expulsion. Expulsion shall take place only after the parents have been requested to appear at a meeting of the board, or with a hearing officer appointed by it, to discuss their child's behavior. Such request shall be made by registered or certified mail and shall state the time, place and purpose of the meeting. The board, or a hearing officer appointed by it, at such meeting shall state the reasons for dismissal and the date on which the expulsion is to become effective. If a hearing officer is appointed by the board he shall report to the board a written summary of the evidence heard at the meeting and the board may take such action thereon as it finds appropriate. If the board acts to expel a pupil, the written expulsion decision shall detail the specific reasons why removing the pupil from the learning environment is in the best interest of the school. The expulsion decision shall also include a rationale as to the specific duration of the expulsion. An expelled pupil may be immediately transferred to an alternative program in the manner provided in Article 13A or 13B of this Code. A pupil must not be denied transfer because of the expulsion, except in cases in which such transfer is deemed to cause a threat to the safety of students or staff in the alternative program.

(b) To suspend or by policy to authorize the superintendent of the district or the principal, assistant principal, or dean of students of any school to suspend pupils guilty of gross disobedience or misconduct, or to suspend pupils guilty of gross disobedience or misconduct on the school bus from riding the school bus, pursuant to subsections (b-15) and (b-20) of this Section, and no action shall lie against them for such suspension. The board may by policy authorize the superintendent of the district or the principal, assistant principal, or dean of students of any school to suspend pupils guilty of such acts for a period not to exceed 10 school days. If a pupil is suspended due to gross disobedience or misconduct on a school bus, the board may suspend the pupil in excess of 10 school days for safety reasons.

Any suspension shall be reported immediately to the parents or guardian of a ~~such~~ pupil along with a full statement of the reasons for such suspension and a notice of their right to a review. The school board must be given a summary of the notice, including the reason for the suspension and the suspension length. Upon request of the parents or guardian the school board or a hearing officer appointed by it shall review such action of the superintendent or principal, assistant principal, or dean of students. At such review the parents or guardian of the pupil may appear and discuss the suspension with the board or its hearing officer. If a hearing officer is appointed by the board he shall report to the board a written summary of the evidence heard at the meeting. After its hearing or upon receipt of the written report of its hearing officer, the board may take such action as it finds appropriate. If a student is suspended pursuant to this subsection (b), the board shall, in the written suspension decision, detail the specific act of gross disobedience or misconduct resulting in the decision to suspend. The suspension decision shall also include a rationale as to the specific duration of the suspension. A pupil who is suspended in excess of 20 school days may be immediately transferred to an alternative program in the manner provided in Article 13A or 13B of this Code. A pupil must not be denied transfer because of the suspension, except in cases in which such transfer is deemed to cause a threat to the safety of students or staff in the alternative program.

(b-5) Among the many possible disciplinary interventions and consequences available to school officials, school exclusions, such as out-of-school suspensions and expulsions, are the most serious. School officials shall limit the number and duration of expulsions and suspensions to the greatest extent practicable, and it is recommended that they use them only for legitimate educational purposes. To ensure that students are not excluded from school unnecessarily, it is recommended that school officials consider forms of non-exclusionary discipline prior to using out-of-school suspensions or expulsions.

(b-10) Unless otherwise required by federal law or this Code, school boards may not institute zero-tolerance policies by which school administrators are required to suspend or expel students for particular behaviors.

(b-15) Out-of-school suspensions of 3 days or less may be used only if the student's continuing presence in school would pose a threat to school safety or a disruption to other students' learning opportunities. For purposes of this subsection (b-15), "threat to school safety or a disruption to other students' learning opportunities" shall be determined on a case-by-case basis by the school board or its designee. School officials shall make all reasonable efforts to resolve such threats, address such disruptions, and minimize the length of suspensions to the greatest extent practicable.

(b-20) Unless otherwise required by this Code, out-of-school suspensions of longer than 3 days, expulsions, and disciplinary removals to alternative schools may be used only if the student's continuing presence in school poses a threat to the safety of other students, staff, or members of the school community and other appropriate and available behavioral and disciplinary interventions have been exhausted. For purposes of this subsection (b-20), "threat to the safety of other students, staff, or members of the school community" shall be determined on a case-by-case basis by school officials. For purposes of this subsection (b-20), the determination of whether "appropriate and available behavioral and disciplinary interventions have been exhausted" shall be made by school officials. School officials shall make all reasonable efforts to resolve such threats and minimize the length of student exclusions to the greatest extent practicable. Within the suspension decision described in subsection (b) of this Section or the expulsion decision described in subsection (a) of this Section, it shall be documented whether other interventions were attempted or whether it was determined that there were no other appropriate and available interventions.

(b-25) Students who are suspended out-of-school for longer than 4 school days shall be provided appropriate and available support services during the period of their suspension. For purposes of this subsection (b-25), "appropriate and available support services" shall be determined by school authorities. Within the suspension decision described in subsection (b) of this Section, it shall be documented whether such services are to be provided or whether it was determined that there are no such appropriate and available services.

A school district may refer students who are expelled to appropriate and available support services.

A school district shall create a policy to facilitate the re-engagement of students who are suspended out-of-school, expelled, or returning from an alternative school setting.

(b-30) A school district shall create a policy by which suspended pupils, including those pupils suspended from the school bus who do not have alternate transportation to school, shall have the opportunity to make up work for equivalent academic credit. It shall be the responsibility of a pupil's parent or guardian to notify school officials that a pupil suspended from the school bus does not have alternate transportation to school.

(c) The Department of Human Services shall be invited to send a representative to consult with the board at such meeting whenever there is evidence that mental illness may be the cause for expulsion or suspension.

(c-5) School districts shall make reasonable efforts to provide ongoing professional development to teachers, administrators, school board members, school resource officers, and staff on the adverse consequences of school exclusion and justice-system involvement, effective classroom management strategies, culturally responsive discipline, and developmentally appropriate disciplinary methods that promote positive and healthy school climates.

(d) The board may expel a student for a definite period of time not to exceed 2 calendar years, as determined on a case by case basis. A student who is determined to have brought one of the following objects to school, any school-sponsored activity or event, or any activity or event that bears a reasonable relationship to school shall be expelled for a period of not less than one year:

(1) A firearm. For the purposes of this Section, "firearm" means any gun, rifle, shotgun, weapon as defined by Section 921 of Title 18 of the United States Code, firearm as defined in Section 1.1 of the Firearm Owners Identification Card Act, or firearm as defined in Section 24-1 of the Criminal Code of 2012. The expulsion period under this subdivision (1) may be modified by the

superintendent, and the superintendent's determination may be modified by the board on a case-by-case basis.

(2) A knife, brass knuckles or other knuckle weapon regardless of its composition, a billy club, or any other object if used or attempted to be used to cause bodily harm, including "look alikes" of any firearm as defined in subdivision (1) of this subsection (d). The expulsion requirement under this subdivision (2) may be modified by the superintendent, and the superintendent's determination may be modified by the board on a case-by-case basis.

Expulsion or suspension shall be construed in a manner consistent with the Federal Individuals with Disabilities Education Act. A student who is subject to suspension or expulsion as provided in this Section may be eligible for a transfer to an alternative school program in accordance with Article 13A of the School Code. ~~The provisions of this subsection (d) apply in all school districts, including special charter districts and districts organized under Article 34.~~

(d-5) The board may suspend or by regulation authorize the superintendent of the district or the principal, assistant principal, or dean of students of any school to suspend a student for a period not to exceed 10 school days or may expel a student for a definite period of time not to exceed 2 calendar years, as determined on a case by case basis, if (i) that student has been determined to have made an explicit threat on an Internet website against a school employee, a student, or any school-related personnel, (ii) the Internet website through which the threat was made is a site that was accessible within the school at the time the threat was made or was available to third parties who worked or studied within the school grounds at the time the threat was made, and (iii) the threat could be reasonably interpreted as threatening to the safety and security of the threatened individual because of his or her duties or employment status or status as a student inside the school. ~~The provisions of this subsection (d-5) apply in all school districts, including special charter districts and districts organized under Article 34 of this Code.~~

(e) To maintain order and security in the schools, school authorities may inspect and search places and areas such as lockers, desks, parking lots, and other school property and equipment owned or controlled by the school, as well as personal effects left in those places and areas by students, without notice to or the consent of the student, and without a search warrant. As a matter of public policy, the General Assembly finds that students have no reasonable expectation of privacy in these places and areas or in their personal effects left in these places and areas. School authorities may request the assistance of law enforcement officials for the purpose of conducting inspections and searches of lockers, desks, parking lots, and other school property and equipment owned or controlled by the school for illegal drugs, weapons, or other illegal or dangerous substances or materials, including searches conducted through the use of specially trained dogs. If a search conducted in accordance with this Section produces evidence that the student has violated or is violating either the law, local ordinance, or the school's policies or rules, such evidence may be seized by school authorities, and disciplinary action may be taken. School authorities may also turn over such evidence to law enforcement authorities. ~~The provisions of this subsection (e) apply in all school districts, including special charter districts and districts organized under Article 34.~~

(f) Suspension or expulsion may include suspension or expulsion from school and all school activities and a prohibition from being present on school grounds.

(g) A school district may adopt a policy providing that if a student is suspended or expelled for any reason from any public or private school in this or any other state, the student must complete the entire term of the suspension or expulsion in an alternative school program under Article 13A of this Code or an alternative learning opportunities program under Article 13B of this Code before being admitted into the school district if there is no threat to the safety of students or staff in the alternative program. ~~This subsection (g) applies to all school districts, including special charter districts and districts organized under Article 34 of this Code.~~

(h) School officials shall not advise or encourage students to drop out voluntarily due to behavioral or academic difficulties.

(i) A student may not be issued a monetary fine or fee as a disciplinary consequence, though this shall not preclude requiring a student to provide restitution for lost, stolen, or damaged property.

(j) Subsections (a) through (i) of this Section shall apply to elementary and secondary schools, charter schools, special charter districts, and school districts organized under Article 34 of this Code.

(Source: P.A. 96-633, eff. 8-24-09; 96-998, eff. 7-2-10; 97-340, eff. 1-1-12; 97-495, eff. 1-1-12; 97-813, eff. 7-13-12; 97-1150, eff. 1-25-13.)

(105 ILCS 5/27A-5)

Sec. 27A-5. Charter school; legal entity; requirements.

(a) A charter school shall be a public, nonsectarian, nonreligious, non-home based, and non-profit school. A charter school shall be organized and operated as a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois.

(b) A charter school may be established under this Article by creating a new school or by converting an existing public school or attendance center to charter school status. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, in all new applications to establish a charter school in a city having a population exceeding 500,000, operation of the charter school shall be limited to one campus. The changes made to this Section by this amendatory Act of the 93rd General Assembly do not apply to charter schools existing or approved on or before the effective date of this amendatory Act.

(b-5) In this subsection (b-5), "virtual-schooling" means a cyber school where students engage in online curriculum and instruction via the Internet and electronic communication with their teachers at remote locations and with students participating at different times.

From April 1, 2013 through December 31, 2016, there is a moratorium on the establishment of charter schools with virtual-schooling components in school districts other than a school district organized under Article 34 of this Code. This moratorium does not apply to a charter school with virtual-schooling components existing or approved prior to April 1, 2013 or to the renewal of the charter of a charter school with virtual-schooling components already approved prior to April 1, 2013.

On or before March 1, 2014, the Commission shall submit to the General Assembly a report on the effect of virtual-schooling, including without limitation the effect on student performance, the costs associated with virtual-schooling, and issues with oversight. The report shall include policy recommendations for virtual-schooling.

(c) A charter school shall be administered and governed by its board of directors or other governing body in the manner provided in its charter. The governing body of a charter school shall be subject to the Freedom of Information Act and the Open Meetings Act.

(d) A charter school shall comply with all applicable health and safety requirements applicable to public schools under the laws of the State of Illinois.

(e) Except as otherwise provided in the School Code, a charter school shall not charge tuition; provided that a charter school may charge reasonable fees for textbooks, instructional materials, and student activities.

(f) A charter school shall be responsible for the management and operation of its fiscal affairs including, but not limited to, the preparation of its budget. An audit of each charter school's finances shall be conducted annually by an outside, independent contractor retained by the charter school. To ensure financial accountability for the use of public funds, on or before December 1 of every year of operation, each charter school shall submit to its authorizer and the State Board a copy of its audit and a copy of the Form 990 the charter school filed that year with the federal Internal Revenue Service. In addition, if deemed necessary for proper financial oversight of the charter school, an authorizer may require quarterly financial statements from each charter school.

(g) A charter school shall comply with all provisions of this Article; the Illinois Educational Labor Relations Act; all federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English language learners, referred to in this Code as "children of limited English-speaking ability"; and its charter. A charter school is exempt from all other State laws and regulations in this Code governing public schools and local school board policies, except the following:

(1) Sections 10-21.9 and 34-18.5 of this Code regarding criminal history records checks and checks of the Statewide Sex Offender Database and Statewide Murderer and Violent Offender Against Youth Database of applicants for employment;

(2) Sections 10-20.14, 10-22.6, 24-24, 34-19, and 34-84a ~~34-84A~~ of this Code regarding discipline of students;

(3) the Local Governmental and Governmental Employees Tort Immunity Act;

(4) Section 108.75 of the General Not For Profit Corporation Act of 1986 regarding indemnification of officers, directors, employees, and agents;

(5) the Abused and Neglected Child Reporting Act;

(6) the Illinois School Student Records Act;

(7) Section 10-17a of this Code regarding school report cards;

(8) the P-20 Longitudinal Education Data System Act; ~~and~~

(9) Section 27-23.7 of this Code regarding bullying prevention; and ~~.~~

(10) ~~(9)~~ Section 2-3.162 ~~2-3.160~~ of this ~~the School~~ Code regarding student discipline reporting.

The change made by Public Act 96-104 to this subsection (g) is declaratory of existing law.

(h) A charter school may negotiate and contract with a school district, the governing body of a State college or university or public community college, or any other public or for-profit or nonprofit private entity for: (i) the use of a school building and grounds or any other real property or facilities that the charter school desires to use or convert for use as a charter school site, (ii) the operation and maintenance thereof, and (iii) the provision of any service, activity, or undertaking that the charter school is required to perform

in order to carry out the terms of its charter. However, a charter school that is established on or after the effective date of this amendatory Act of the 93rd General Assembly and that operates in a city having a population exceeding 500,000 may not contract with a for-profit entity to manage or operate the school during the period that commences on the effective date of this amendatory Act of the 93rd General Assembly and concludes at the end of the 2004-2005 school year. Except as provided in subsection (i) of this Section, a school district may charge a charter school reasonable rent for the use of the district's buildings, grounds, and facilities. Any services for which a charter school contracts with a school district shall be provided by the district at cost. Any services for which a charter school contracts with a local school board or with the governing body of a State college or university or public community college shall be provided by the public entity at cost.

(i) In no event shall a charter school that is established by converting an existing school or attendance center to charter school status be required to pay rent for space that is deemed available, as negotiated and provided in the charter agreement, in school district facilities. However, all other costs for the operation and maintenance of school district facilities that are used by the charter school shall be subject to negotiation between the charter school and the local school board and shall be set forth in the charter.

(j) A charter school may limit student enrollment by age or grade level.

(k) If the charter school is approved by the Commission, then the Commission charter school is its own local education agency.

(Source: P.A. 97-152, eff. 7-20-11; 97-154, eff. 1-1-12; 97-813, eff. 7-13-12; 98-16, eff. 5-24-13; 98-639, eff. 6-9-14; 98-669, eff. 6-26-14; 98-739, eff. 7-16-14; 98-783, eff. 1-1-15; 98-1059, eff. 8-26-14; 98-1102, eff. 8-26-14; revised 10-14-14.)

(105 ILCS 5/34-19) (from Ch. 122, par. 34-19)

Sec. 34-19. By-laws, rules and regulations; business transacted at regular meetings; voting; records. The board shall, subject to the limitations in this Article, establish by-laws, rules and regulations, which shall have the force of ordinances, for the proper maintenance of a uniform system of discipline for both employees and pupils, and for the entire management of the schools, and may fix the school age of pupils, the minimum of which in kindergartens shall not be under 4 years, except that, based upon an assessment of the child's readiness, children who have attended a non-public preschool and continued their education at that school through kindergarten, were taught in kindergarten by an appropriately certified teacher, and will attain the age of 6 years on or before December 31 of the year of the 2009-2010 school term and each school term thereafter may attend first grade upon commencement of such term, and in grade schools shall not be under 6 years. It may expel, suspend or, subject to the limitations of all policies established or adopted under Section 10-22.6 or 14-8.05, otherwise discipline any pupil found guilty of gross disobedience, misconduct, or other violation of the by-laws, rules, and regulations, including gross disobedience or misconduct perpetuated by electronic means. An expelled pupil may be immediately transferred to an alternative program in the manner provided in Article 13A or 13B of this Code. A pupil must not be denied transfer because of the expulsion, except in cases in which such transfer is deemed to cause a threat to the safety of students or staff in the alternative program. A pupil who is suspended in excess of 20 school days may be immediately transferred to an alternative program in the manner provided in Article 13A or 13B of this Code. A pupil must not be denied transfer because of the suspension, except in cases in which such transfer is deemed to cause a threat to the safety of students or staff in the alternative program. The bylaws, rules and regulations of the board shall be enacted, money shall be appropriated or expended, salaries shall be fixed or changed, and textbooks, electronic textbooks, and courses of instruction shall be adopted or changed only at the regular meetings of the board and by a vote of a majority of the full membership of the board; provided that notwithstanding any other provision of this Article or the School Code, neither the board or any local school council may purchase any textbook for use in any public school of the district from any textbook publisher that fails to furnish any computer diskettes as required under Section 28-21. Funds appropriated for textbook purchases must be available for electronic textbook purchases and the technological equipment necessary to gain access to and use electronic textbooks at the local school council's discretion. The board shall be further encouraged to provide opportunities for public hearing and testimony before the adoption of bylaws, rules and regulations. Upon all propositions requiring for their adoption at least a majority of all the members of the board the yeas and nays shall be taken and reported. The by-laws, rules and regulations of the board shall not be repealed, amended or added to, except by a vote of 2/3 of the full membership of the board. The board shall keep a record of all its proceedings. Such records and all by-laws, rules and regulations, or parts thereof, may be proved by a copy thereof certified to be such by the secretary of the board, but if they are printed in book or pamphlet form which are purported to be published by authority of the board they need not be otherwise published and the book or pamphlet shall be received as evidence, without further proof, of the records,

by-laws, rules and regulations, or any part thereof, as of the dates thereof as shown in such book or pamphlet, in all courts and places where judicial proceedings are had.

Notwithstanding any other provision in this Article or in the School Code, the board may delegate to the general superintendent or to the attorney the authorities granted to the board in the School Code, provided such delegation and appropriate oversight procedures are made pursuant to board by-laws, rules and regulations, adopted as herein provided, except that the board may not delegate its authorities and responsibilities regarding (1) budget approval obligations; (2) rule-making functions; (3) desegregation obligations; (4) real estate acquisition, sale or lease in excess of 10 years as provided in Section 34-21; (5) the levy of taxes; or (6) any mandates imposed upon the board by "An Act in relation to school reform in cities over 500,000, amending Acts herein named", approved December 12, 1988 (P.A. 85-1418).
(Source: P.A. 96-864, eff. 1-21-10; 96-1403, eff. 7-29-10; 97-340, eff. 1-1-12; 97-495, eff. 1-1-12; 97-813, eff. 7-13-12.)

Section 99. Effective date. This Act takes effect September 15, 2016.".

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

On motion of Senator Harmon, **Senate Bill No. 140** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 140**

AMENDMENT NO. 1. Amend Senate Bill 140 by replacing everything after the enacting clause.

"Section 5. The Limited Liability Company Act is amended by changing Sections 1-5, 1-30, 1-40, 5-5, 5-45, 5-47, 5-50, 10-1, 10-15, 13-5, 15-1, 15-3, 15-5, 15-7, 20-1, 20-5, 25-35, 30-5, 30-10, 30-20, 35-1, 35-3, 35-4, 35-7, 35-15, 35-20, 35-45, 35-55, 37-5, 37-10, 37-15, 37-20, 37-25, 37-30, 37-40, 50-1, 50-10, and 55-1, by changing the headings of Articles 30 and 37, and by adding Sections 1-6, 1-46, 1-65, 13-15, 13-20, 30-25, 35-37, 37-16, 37-17, 37-21, 37-31, 37-32, 37-33, 37-34, 37-36, and 55-3 as follows:

(805 ILCS 180/1-5)

Sec. 1-5. Definitions. As used in this Act, unless the context otherwise requires:

"Anniversary" means that day every year exactly one or more years after: (i) the date the articles of organization filed under Section 5-5 of this Act were filed by the Office of the Secretary of State, in the case of a limited liability company; or (ii) the date the application for admission to transact business filed under Section 45-5 of this Act was filed by the Office of the Secretary of State, in the case of a foreign limited liability company.

"Anniversary month" means the month in which the anniversary of the limited liability company occurs.

"Articles of organization" means the articles of organization filed by the Secretary of State for the purpose of forming a limited liability company as specified in Article 5 and all amendments thereto, whether evidenced by articles of amendment, articles of merger, or a statement of correction affecting the articles.

"Assumed limited liability company name" means any limited liability company name other than the true limited liability company name, except that the identification by a limited liability company of its business with a trademark or service mark of which it is the owner or licensed user shall not constitute the use of an assumed name under this Act.

"Bankruptcy" means bankruptcy under the Federal Bankruptcy Code of 1978, Title 11, Chapter 7 of the United States Code, as amended from time to time, or any successor statute.

"Business" includes every trade, occupation, profession, and other lawful purpose, whether or not carried on for profit.

"Company" means a limited liability company.

"Contribution" means any cash, property, ~~or~~ services rendered , or other benefit, or a promissory note or other binding obligation to contribute cash or property, ~~or to~~ perform services, or provide any other benefit, that a person contributes to the limited liability company in that person's capacity as a member or in order to become a member.

"Court" includes every court and judge having jurisdiction in a case.

"Debtor in bankruptcy" means a person who is the subject of an order for relief under Title 11 of the United States Code, a comparable order under a successor statute of general application, or a comparable order under federal, state, or foreign law governing insolvency.

"Distribution" means a transfer of money, property, or other benefit from a limited liability company to a member in the member's capacity as a member or to a transferee of the member's distributional interest.

"Distributional interest" means ~~all of~~ a member's right to receive ~~interest in~~ distributions of ~~by~~ the limited liability company's assets, but no other rights or interest of a member ~~company~~.

"Entity" means a person other than an individual.

"Federal employer identification number" means either (i) the federal employer identification number assigned by the Internal Revenue Service to the limited liability company or foreign limited liability company or (ii) in the case of a limited liability company or foreign limited liability company not required to have a federal employer identification number, any other number that may be assigned by the Internal Revenue Service for purposes of identification.

"Foreign limited liability company" means an unincorporated entity organized under laws other than the laws of this State that afford limited liability to its owners comparable to the liability under Section 10-10 and is not required to register to transact business under any law of this State other than this Act.

"Insolvent" means that a limited liability company is unable to pay its debts as they become due in the usual course of its business.

"Legal representative" means, without limitation, an executor, administrator, guardian, personal representative and agent, including an appointee under a power of attorney.

"Limited liability company" means a limited liability company organized under this Act.

"L3C" or "low-profit limited liability company" means a for-profit limited liability company which satisfies the requirements of Section 1-26 of this Act and does not have as a significant purpose the production of income or the appreciation of property.

"Manager" means a person, whether or not a member of a manager-managed company, who is vested with authority in an operating agreement as provided in ~~under~~ Section 15-1 ~~13-5~~.

"Manager-managed company" means a limited liability company that vests authority in a manager or managers in an operating agreement as provided in Section 15-1 ~~which is so designated in its articles of organization~~.

"Member" means a person who becomes a member of the limited liability company upon formation of the company or in the manner and at the time provided in the operating agreement or, if the operating agreement does not so provide, in the manner and at the time provided in this Act.

"Member-managed company" means a limited liability company other than a manager-managed company.

"Membership interest" means all of a member's rights in the limited liability company, including the member's right to receive distributions of the limited liability company's assets.

"Operating agreement" means the agreement under Section 15-5, whether or not referred to as an operating agreement and whether oral, in a record, implied, or in any combination thereof, of all of the members of a limited liability company, including a sole member, concerning the relations among the members, managers, and limited liability company. The term "operating agreement" includes amendments to the agreement.

"Organizer" means one of the signers of the original articles of organization.

"Person" means an individual, partnership, domestic or foreign limited partnership, limited liability company or foreign limited liability company, trust, estate, association, corporation, governmental body, or other juridical being.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Registered office" means that office maintained by the limited liability company in this State, the address, including street, number, city and county, of which is on file in the office of the Secretary of State, at which, any process, notice, or demand required or permitted by law may be served upon the registered agent of the limited liability company.

"Registered agent" means a person who is an agent for service of process on the limited liability company who is appointed by the limited liability company and whose address is the registered office of the limited liability company.

"Restated articles of organization" means the articles of organization restated as provided in Section 5-30.

"Sign" means, with the present intent to authenticate or adopt a record:

(1) to execute or adopt a tangible symbol; or

(2) to attach to or logically associate with the record an electronic symbol, sound, or process.

"State" means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

"Transfer" includes an assignment, conveyance, deed, bill of sale, lease, mortgage, security interest, encumbrance, and gift.

(Source: P.A. 96-126, eff. 1-1-10; 97-839, eff. 7-20-12.)

(805 ILCS 180/1-6 new)

Sec. 1-6. Electronic records. Any requirement in this Act that there be a writing or that any document, instrument, or agreement be written or in ink is subject to the provisions of the Electronic Commerce Security Act.

(805 ILCS 180/1-30)

Sec. 1-30. Powers. Each limited liability company organized and existing under this Act may do all of the following:

(1) Sue and be sued, complain and defend, and participate in administrative or other proceedings, in its name.

(2) Have a seal, which may be altered at pleasure, and use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced, provided that the affixing of a seal to an instrument shall not give the instrument additional force or effect, or change the construction thereof, and the use of a seal is not mandatory.

(3) Purchase, take, receive, lease as lessee, take by gift, legacy, or otherwise acquire, own, hold, use, and otherwise deal in and with any real or personal property, or any interest therein, wherever situated.

(4) Sell, convey, mortgage, pledge, lease as lessor, and otherwise dispose of all or any part of its property and assets.

(5) Lend money to and otherwise assist its members and employees.

(6) Purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, loan, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in or obligations of other limited liability companies, domestic or foreign corporations, associations, general or limited partnerships, or individuals.

(7) Incur liabilities, borrow money for its proper purposes at any rate of interest the limited liability company may determine without regard to the restrictions of any usury law of this State, issue notes, bonds, and other obligations, secure any of its obligations by mortgage or pledge or deed of trust of all or any part of its property, franchises, and income, and make contracts, including contracts of guaranty and suretyship.

(8) Invest its surplus funds from time to time, lend money for its proper purposes, and take and hold real and personal property as security for the payment of funds so loaned or invested.

(9) Conduct its business, carry on its operations, have offices within and without this State, and exercise in any other state, territory, district, or possession of the United States or in any foreign country the powers granted by this Act.

(10) Designate ~~Elect~~ managers and appoint officers and other agents of the limited liability company, define their duties, and fix their compensation.

(11) Enter into or amend an operating agreement, not inconsistent with the laws of this State, for the administration and regulation of the affairs of the limited liability company.

(12) Make donations for the public welfare or for charitable, scientific, religious, or educational purposes, lend money to the government, and transact any lawful business in aid of the United States.

(13) Establish deferred compensation plans, pension plans, profit-sharing plans, bonus plans, option plans, and other incentive plans for its managers and employees and make the payments provided for therein.

(14) Become a promoter, partner, member, associate, or manager of any general partnership, limited partnership, joint venture or similar association, any other limited liability company, or other enterprise.

(15) Have and exercise all powers necessary or convenient to effect any or all of the purposes for which the limited liability company is organized.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/1-40)

Sec. 1-40. Records to be kept.

(a) Each limited liability company shall keep at the principal place of business of the company named in the articles of organization or other reasonable locations specified in the operating agreement all of the following:

(1) A list of the full name and last known address of each member setting forth the amount of cash each member has contributed, a description and statement of the agreed value of the other property or services each member has contributed or has agreed to contribute in the future, and the date on which each became a member.

(2) A copy of the articles of organization, as amended or restated, together with

executed copies of any powers of attorney under which any articles, application, or certificate has been executed.

(3) Copies of the limited liability company's federal, State, and local income tax returns and reports, if any, for the 3 most recent years.

(4) Copies of any then effective written operating agreement and any amendments thereto and of any financial statements of the limited liability company for the 3 most recent years.

(b) Records kept under this Section may be inspected and copied at the request and expense of any member or legal representative of a deceased member or member under legal disability during ordinary business hours.

(c) The rights under subsection (b) of this Section also extend to a transferee of a distributional interest, but only for a proper purpose. In order to exercise this right, a transferee must make written demand upon the limited liability company, stating with particularity the records sought to be inspected and the purpose of the demand.

(d) Within 10 days after receiving a demand pursuant to subsection (c):

(1) the company shall provide the information demanded or, in a record, a description of the information the company will provide, stating a reasonable time within which it will be provided and the place where it will be provided; and

(2) if the company declines to provide any demanded information, the company shall state its reasons for declining to the transferee in a record.

A transferee may exercise the rights under this subsection through a legal representative.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/1-46 new)

Sec. 1-46. Applicability of statute of frauds. An operating agreement is enforceable whether or not there is a writing signed or record authenticated by a party against whom enforcement is sought, even if the agreement is not capable of performance within one year of its making.

(805 ILCS 180/1-65 new)

Sec. 1-65. Governing law. The law of this State governs:

(1) the internal affairs and organization of a limited liability company;

(2) the liability of a member as member and a manager as manager for the debts, obligations, or other liabilities of a limited liability company;

(3) the internal affairs and establishment of a series of a limited liability company;

(4) the liability of a member or a manager associated with a series for the debts, obligations, or other liabilities of the series; and

(5) the liability of a series for the debts, obligations, or other liabilities of the limited liability company that established the series or for another series established by the limited liability company, and the liability of the limited liability company for the debts, obligations, or other liabilities of a series established by the limited liability company.

(805 ILCS 180/5-5)

Sec. 5-5. Articles of organization.

(a) The articles of organization shall set forth all of the following:

(1) The name of the limited liability company and the address of its principal place of business which may, but need not be a place of business in this State.

(2) The purposes for which the limited liability company is organized, which may be stated to be, or to include, the transaction of any or all lawful businesses for which limited liability companies may be organized under this Act.

(3) The name of its registered agent and the address of its registered office.

(4) A confirmation that ~~If~~ the limited liability company complies with the requirement in subsection (b) of Section 5-1 that the company has one or more members at the time of filing or, if the filing is to be effective on a later date, that the company will have one or more members on the date the filing is to be effective ~~is to be managed by a manager or managers, the names and business addresses of the initial manager or managers~~.

(5) The name and business address of all of the managers and any member having the authority of a manager ~~If management of the limited liability company is to be vested in the members under Section 15-1, then the names and addresses of the initial member or members~~.

(5.5) The duration of the limited liability company, which shall be perpetual unless otherwise stated.

(6) (Blank).

(7) The name and address of each organizer.

(8) Any other provision, not inconsistent with law, that the members elect to set out in

the articles of organization for the regulation of the internal affairs of the limited liability company, including any provisions that, under this Act, are required or permitted to be set out in the operating agreement of the limited liability company.

(b) A limited liability company is organized at the time articles of organization are filed by the Secretary of State or at any later time, not more than 60 days after the filing of the articles of organization, specified in the articles of organization.

(c) Articles of organization for the organization of a limited liability company for the purpose of accepting and executing trusts shall not be filed by the Secretary of State until there is delivered to him or her a statement executed by the Secretary ~~Commissioner~~ of the Department of Financial and Professional Regulation or successor State board, department, or agency having jurisdiction over the regulation of trust companies ~~Office of Banks and Real Estate~~ that the organizers of the limited liability company have made arrangements with the Secretary ~~Commissioner~~ of the Department of Financial and Professional Regulation or successor State board, department, or agency having jurisdiction over the regulation of trust companies ~~Office of Banks and Real Estate~~ to comply with the Corporate Fiduciary Act.

(d) Articles of organization for the organization of a limited liability company as a bank or a savings bank must be filed with the Secretary of the Department of Financial and Professional Regulation or successor State board, department, or agency having jurisdiction over the regulation of banks or savings banks ~~Commissioner of Banks and Real Estate~~ or, if the bank or savings bank will be organized under federal law, with the appropriate federal banking regulator.

(Source: P.A. 98-171, eff. 8-5-13.)

(805 ILCS 180/5-45)

Sec. 5-45. Forms, execution, acknowledgement and filing.

(a) All reports required by this Act to be filed in the Office of the Secretary of State shall be made on forms prescribed and furnished by the Secretary of State. Forms for all other documents to be filed in the Office of the Secretary of State shall be furnished by the Secretary of State upon request therefor, but the use thereof, unless otherwise specifically prescribed in this Act, shall not be mandatory.

(b) Whenever any provision of this Act specifically requires any document to be executed by the limited liability company in accordance with this Section, unless otherwise specifically stated in this Act and subject to any additional provisions of this Act, the document shall be signed ~~executed, in ink,~~ as follows:

(1) The initial articles of organization shall be signed by the organizer or organizers.

(2) A document filed on behalf of a dissolved limited liability company that has no members must be signed by the person winding up the company's activities under Section 35-4.

(3) Any other document must be signed by a person authorized by the limited liability company to sign it. ~~All other documents shall be signed:~~

~~(A) by a manager and verified by him or her; or~~

~~(B) if there are no managers, then by the members or those of them that may be designated by a majority vote of the members.~~

(c) The name of a person signing the document and the capacity in which the person signs shall be stated beneath or opposite the person's signature.

(d) The execution of any document required by this Act by a person ~~member or manager~~ constitutes an affirmation under the penalties of perjury that the facts stated therein are true and that the person has authority to execute the document.

(e) When filed in the Office of the Secretary of State, an authorization, including a power of attorney, to sign a record must be in writing, then sworn to, verified, or acknowledged.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/5-47)

Sec. 5-47. Statement of correction.

(a) Whenever any instrument authorized to be filed with the Secretary of State under any provision of this Act has been so filed and, as of the date of the action therein referred to, contains any misstatement of fact, typographical error, error of transcription, or ~~any~~ other error or defect or was defectively or erroneously executed, such instrument may be corrected by filing, in accordance with Section 5-45 of this Act, a statement of correction.

(b) A statement of correction shall set forth:

(1) The name of the limited liability company and the state or country under the laws of which it is organized.

(2) The title of the instrument being corrected and the date it was filed by the Secretary of State.

(3) The inaccuracy, error, or defect to be corrected and the portion of the instrument in corrected form.

(c) A statement of correction shall be executed in the same manner in which the instrument being corrected was required to be executed.

(d) The corrected instrument shall be effective as of the date the original instrument was filed.

(e) A statement of correction shall not:

(1) Effect any change or amendment of articles which would not in all respects have complied with the requirements of this Act at the time of filing the instrument being corrected.

(2) Take the place of any document, statement, or report otherwise required to be filed by this Act.

(3) Affect any right or liability accrued or incurred before such filing, except that any right or liability accrued or incurred by reason of the error or defect being corrected shall be extinguished by such filing if the person having such right has not detrimentally relied on the original instrument.

(4) (Blank). ~~Alter the provisions of the articles of organization with respect to the limited liability company name, purpose, ability to establish series, or the names and addresses of the organizers, initial manager or managers, and initial member or members.~~

(5) (Blank). ~~Alter the provisions of the application for admission to transact business as a foreign limited liability company with respect to the limited liability name or ability to establish series.~~

(6) (Blank). ~~Alter the provisions of the application to adopt or change an assumed limited liability company name with respect to the assumed limited liability company name.~~

(7) Alter the wording of any resolution as filed in any document with the Secretary of State and which was in fact adopted by the members or managers.

(Source: P.A. 95-368, eff. 8-23-07.)

(805 ILCS 180/5-50)

Sec. 5-50. Amendment or termination ~~dissolution~~ by judicial act. If a person required by Section 5-45 to execute an amendment or statement ~~articles~~ of termination ~~dissolution~~ fails or refuses to do so, any other member and any transferee of a limited liability company interest, who is adversely affected by the failure or refusal, may petition a court to direct the amendment or statement of termination ~~dissolution~~. If the court finds that the amendment or statement of termination ~~dissolution~~ is proper and that any person so designated has failed or refused to execute the amendment or statement ~~articles~~ of termination ~~dissolution~~, it shall order the Secretary of State to record an appropriate amendment or statement of termination ~~dissolution~~.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/10-1)

Sec. 10-1. Admission of members.

(a) A person becomes a member:

(1) upon formation of the company, as provided in an agreement between the organizer and the initial member if there is only one member, or as provided in an agreement among initial members if there is more than one member;

(2) after the formation of the company,

(A) as provided in the operating agreement;

(B) as the result of a transaction effective under Article 37;

(C) with the consent of all the members; or

(D) if, within 180 consecutive days after the company ceases to have any members:

(i) the last person to have been a member, or the legal representative of that person, designates a person to become a member; and

(ii) the designated person consents to become a member.

(b) A person that acquires a distributional interest, but that does not become a member, has merely the rights of a transferee under Sections 30-5 and 30-10.

(c) A person may become a member without acquiring a distributional interest and without making or being obligated to make a contribution to the limited liability company. ~~After the filing of the articles of organization, a person who acquires a membership interest directly from the limited liability company or is a transferee of a membership interest may be admitted as a member with unanimous consent of the members.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/10-15)

Sec. 10-15. Right of members and dissociated members ~~Member's right~~ to information.

(a) A company shall furnish information when any member demands it in a record concerning the company's activities, financial condition, and other circumstances of the company's business necessary to the proper exercise of a member's rights and duties under the operating agreement or this Act or that is

otherwise material to the membership interest of a member, unless the company knows that the member already knows that information.

(b) The following rules apply when a member makes a demand for information under this Section:

(1) During regular business hours and at a reasonable location and time specified by the company, a member may obtain from the company, inspect, and copy information for a purpose consistent with subsection (a).

(2) Within 10 days after receiving a demand pursuant to subsection (a):

(A) the company shall provide the information demanded or, in a record, a description of the information the company will provide, stating a reasonable time within which it will be provided and the place where it will be provided; and

(B) if the company declines to provide any demanded information, the company shall state its reasons for declining to the member in a record.

(c) Whenever this Act or an operating agreement provides for a member to give or withhold consent to a matter, before the consent is given or withheld, the company shall, without demand, provide the member with all information that is known to the company that is material to the member's decision.

(d) Within 10 days after a demand made in a record received by the limited liability company, a dissociated member may have access to information to which the person was entitled while a member if the information pertains to the period during which the person was a member, and the person seeks the information in good faith for a purpose consistent with subsection (a). The company shall respond to a demand made pursuant to this subsection in the manner provided in subdivisions (A) and (B) of paragraph (2) of subsection (b).

(e) A limited liability company may charge a person that makes a demand under this Section the reasonable costs of copying, limited to the costs of labor and material.

(f) A member or dissociated member may exercise rights under this Section through an agent or, in the case of an individual under legal disability, a legal representative. Any restriction or condition imposed by the operating agreement or under subsection (h) applies both to the agent or legal representative and the member or dissociated member.

(g) The rights under this Section do not extend to a person as transferee.

(h) In addition to any restriction or condition stated in its operating agreement, the limited liability company, as a matter within the ordinary course of its activities, may impose reasonable restrictions and conditions on access to and use of information to be furnished under this Section including, but not limited to, the designation of information such as trade secrets or information subject to confidentiality agreements with third parties as confidential with appropriate nondisclosure and safeguarding obligations. In a dispute concerning the reasonableness of a restriction or designation under this subsection, the company has the burden of proving reasonableness.

(i) This Section does not limit or restrict the right to inspect and copy records as provided in subsection (b) of Section 1-40. ~~(a) A limited liability company shall provide members and their agents and attorneys access to its records, including the records required to be kept under Section 1-40, at the company's principal place of business or other reasonable locations specified in the operating agreement. The company shall provide former members and their agents and attorneys access for proper purposes to records pertaining to the period during which they were members. The right of access provides the opportunity to inspect and copy records during ordinary business hours. The company may impose a reasonable charge, limited to the costs of labor and material, for copies of records furnished.~~

~~(b) A member has the right upon written demand given to the limited liability company to obtain at the company's expense a copy of any written operating agreement.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/13-5)

Sec. 13-5. No agency power of a member as member. ~~Agency of members and managers.~~

(a) A member is not an agent of a limited liability company solely by reason of being a member. ~~Subject to subsections (b) and (c):~~

(b) Nothing herein shall be deemed to limit the effect of law other than this Act, including the law of agency.

(c) A person's status as a member does not prevent or restrict law other than this Act from imposing liability on a limited liability company because of the person's conduct.

~~(1) Each member is an agent of the limited liability company for the purpose of its business, and an act of a member, including the signing of an instrument in the company's name, for apparently carrying on, in the ordinary course, the company's business or business of the kind carried on by the company binds the company, unless the member had no authority to act for the company in the particular matter and the person with whom the member was dealing knew or had notice that the member lacked authority.~~

~~(2) An act of a member that is not apparently for carrying on, in the ordinary course, the company's business or business of the kind carried on by the company binds the company only if the act was authorized by the other members.~~

~~(b) Subject to subsection (c), in a manager-managed company:~~

~~(1) A member is not an agent of the company for the purpose of its business solely by reason of being a member. Each manager is an agent of the company for the purpose of its business, and an act of a manager, including the signing of an instrument in the company's name, for apparently carrying on, in the ordinary course, the company's business or business of the kind carried on by the company binds the company, unless the manager had no authority to act for the company in the particular matter and the person with whom the manager was dealing knew or had notice that the manager lacked authority.~~

~~(2) An act of a manager which is not apparently for carrying on, in the ordinary course, the company's business or business of the kind carried on by the company binds the company only if the act was authorized under Section 15-1.~~

~~(c) Unless the articles of organization limit their authority, any member of a member-managed company or manager of a manager-managed company may sign and deliver any instrument transferring or affecting the company's interest in real property. The instrument is conclusive in favor of a person who gives value without knowledge of the lack of the authority of the person signing and delivering the instrument.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/13-15 new)

Sec. 13-15. Statement of authority.

(a) A limited liability company may deliver to the Secretary of State for filing a statement of authority. The statement:

(1) must include the name of the company and the address of its principal place of business; and

(2) may state the authority, or limitations on the authority, of any member or manager of the company or any other person to:

(A) execute an instrument transferring real property held in the name of the company; or

(B) enter into other transactions on behalf of, or otherwise act for or bind, the company.

(b) To amend or cancel a statement of authority, a limited liability company must deliver to the Secretary of State for filing a statement of amendment or cancellation. The statement must include:

(1) the name of the limited liability company and the address of its principal place of business;

(2) the date the statement of authority being amended or cancelled became effective; and

(3) the contents of the amendment or a declaration that the statement of authority is canceled.

(c) Except as otherwise provided in subsections (e) and (f), a limitation on the authority of a member or manager of the limited liability company contained in a statement of authority is not by itself evidence of knowledge or notice of the limitation by any person.

(d) A grant of authority not pertaining to transfers of real property and contained in a statement of authority is conclusive in favor of a person that is not a member and that gives value in reliance on the grant, except to the extent that when the person gives value, the person has knowledge to the contrary.

(e) A certified copy of a statement of authority that grants authority to transfer real property held in the name of the limited liability company and that is recorded in the office for recording transfers of the real property is conclusive in favor of a person that is not a member and that gives value in reliance on the grant without knowledge to the contrary.

(f) If a certified copy of a statement of authority containing a limitation on the authority to transfer real property held in the name of a limited liability company is recorded in the office for recording transfers of that real property, all persons that are not members are deemed to know of the limitation.

(g) Unless previously cancelled by a statement of cancellation, a statement of authority expires as of the date, if any, specified in the statement of authority.

(h) If the articles of organization state the authority or limitations on the authority of any person on behalf of a company, the authority stated or limited shall not bind any person who is not a member or manager until that person receives actual notice in a record from the company that agency authority is stated or limited in the articles. If the authority stated or limited in the articles of organization conflicts with authority stated or limited in a statement of authority filed with the Secretary of State under this Section on behalf of the company, the statement of authority is the effective statement and a person who is not a member or manager may rely upon the terms of the filed statement of authority notwithstanding conflicting terms in the articles of organization.

(805 ILCS 180/13-20 new)

Sec. 13-20. Statement of denial. A person named in a filed statement of authority granting that person authority may deliver to the Secretary of State for filing a statement of denial that:

(1) provides the name of the limited liability company and the caption of the statement of authority to which the statement of denial pertains; and

(2) denies the grant of authority.

An effective statement of denial operates as a restrictive amendment under subsection (b) of Section 13-15 and, if a certified copy thereof is recorded in the office for recording transfers of real property in which a prior statement of authority has been recorded as provided in subsection (e) of Section 13-15, the statement of denial shall be deemed a limitation on the statement of authority for purposes of subsection (f) of Section 13-15.

(805 ILCS 180/15-1)

Sec. 15-1. Management of limited liability company.

(a) A limited liability company is a member-managed limited liability company unless the operating agreement:

(1) expressly provides that:

(A) the company is or will be manager-managed;

(B) the company is or will be managed by managers; or,

(C) management of the company is or will be vested in managers; or

(2) includes words of similar import.

(b) ~~(a)~~ In a member-managed company:

(1) each member has equal rights in the management and conduct of the company's business; and

(2) except as otherwise provided in subsection (d) ~~(c)~~ of this Section, any matter relating to the business of the company may be decided by a majority of the members.

(c) ~~(b)~~ In a manager-managed company:

(1) each manager has equal rights in the management and conduct of the company's business;

(2) except as otherwise provided in subsection (d) ~~(c)~~ of this Section, any matter relating to the business of the company may be exclusively decided by the manager or, if there is more than one manager, by a majority of the managers; and

(3) a manager:

(A) must be designated, appointed, elected, removed, or replaced by a vote, approval, or consent of a majority of the members; and

(B) holds office until a successor has been elected and qualified, unless the manager sooner resigns or is removed.

(d) ~~(c)~~ The only matters of a member or manager-managed company's business requiring the consent of all of the members are the following:

(1) the amendment of the operating agreement under Section 15-5;

(2) an amendment to the articles of organization under Article 5;

(3) the compromise of an obligation to make a contribution under Section 20-5;

(4) the compromise, as among members, of an obligation of a member to make a contribution or return money or other property paid or distributed in violation of this Act;

(5) the ~~making of interim distributions under subsection (a) of Section 25-1, including the~~ redemption of an interest;

(6) the admission of a new member;

(7) the use of the company's property to redeem an interest subject to a charging order;

(8) the consent to dissolve the company under subdivision (2) of subsection (a) of Section 35-1;

~~(9) a waiver of the right to have the company's business wound up and the company terminated under Section 35-3;~~

(9) ~~(10)~~ the consent of members to convert, merge with another entity entity or domesticate under Article 37 ~~under Section 37-20~~; and

(10) ~~(11)~~ the sale, lease, exchange, or other disposal of all, or substantially all, of the company's property with or without goodwill.

(e) ~~(d)~~ Action requiring the consent of members or managers under this Act may be taken without a meeting.

(f) ~~(e)~~ A member or manager may appoint a proxy to vote or otherwise act for the member or manager by signing an appointment instrument, either personally or by the member or manager's attorney-in-fact.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/15-3)

Sec. 15-3. General standards of member and manager's conduct.

(a) The fiduciary duties a member owes to a member-managed company and its other members include the duty of loyalty and the duty of care referred to in subsections (b) and (c) of this Section.

(b) A member's duty of loyalty to a member-managed company and its other members includes the following:

(1) to account to the company and to hold as trustee for it any property, profit, or benefit derived by the member in the conduct or winding up of the company's business or derived from a use by the member of the company's property, including the appropriation of a company's opportunity;

(2) to act fairly when a member deals with the company in the conduct or winding up of the company's business as or on behalf of a party having an interest adverse to the company; and

(3) to refrain from competing with the company in the conduct of the company's business before the dissolution of the company.

(c) A member's duty of care to a member-managed company and its other members in the conduct of and winding up of the company's business is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

(d) A member shall discharge his or her duties to a member-managed company and its other members under this Act or under the operating agreement and exercise any rights consistent with the obligation of good faith and fair dealing.

(e) A member of a member-managed company does not violate a duty or obligation under this Act or under the operating agreement merely because the member's conduct furthers the member's own interest.

(f) This Section applies to a person winding up the limited liability company's business as the personal or legal representative of the last surviving member as if the person were a member.

(g) In a manager-managed company:

(1) a member who is not also a manager owes no duties to the company or to the other members solely by reason of being a member;

(2) a manager is held to the same standards of conduct prescribed for members in subsections (b), (c), (d), and (e) of this Section;

(3) a member who exercises some or all of the authority of a manager and conduct of the company's business is held to the standards of conduct in subsections (b), (c), (d), and (e) of this Section ~~to the extent that the member exercises the managerial authority vested in a manager by this Act~~; and

(4) a manager is relieved of liability imposed by law for violations of the standards prescribed by subsections (b), (c), (d), and (e) to the extent of the managerial authority delegated to the members by the operating agreement.

(Source: P.A. 95-331, eff. 8-21-07; 96-263, eff. 1-1-10.)

(805 ILCS 180/15-5)

Sec. 15-5. Operating agreement.

(a) All members of a limited liability company may enter into an operating agreement to regulate the affairs of the company and the conduct of its business and to govern relations among the members, managers, and company. The operating agreement may establish that a limited liability company is a manager-managed limited liability company and the rights and duties under this Act of a person in the capacity of a manager. To the extent the operating agreement does not otherwise provide, this Act governs relations among the members, managers, and company. Except as provided in subsections ~~subsection~~ (b), (c), (d), and (e) of this Section, an operating agreement may modify any provision or provisions of this Act governing relations among the members, managers, and company.

(b) The operating agreement may not:

(1) unreasonably restrict a right to information or access to records under Section 1-40 or Section 10-15;

(2) vary the right to expel a member in an event specified in subdivision (6) of Section 35-45;

(3) vary the requirement to wind up the limited liability company's business in a case specified in subdivision ~~subdivisions (3) or~~ (4), (5), or (6) of subsection (a) of Section 35-1;

(4) restrict rights of a person, other than a manager, member, and transferee of a member's distributional interest, under this Act;

(5) restrict the power of a member to dissociate under Section 35-50, although an operating agreement may determine whether a dissociation is wrongful under Section 35-50~~, and it may eliminate or vary the obligation of the limited liability company to purchase the dissociated member's distributional interest under Section 35-60~~;

(6) (blank); ~~eliminate or reduce a member's fiduciary duties, but may;~~

~~(A) identify specific types or categories of activities that do not violate these duties, if not manifestly unreasonable; and~~

~~(B) specify the number or percentage of members or disinterested managers that may authorize or ratify, after full disclosure of all materials facts, a specific act or transaction that otherwise would violate these duties;~~

(6.5) eliminate or reduce the obligations or purposes a low-profit limited liability company undertakes when organized under Section 1-26; ~~or~~

(7) eliminate or reduce the obligation of good faith and fair dealing under subsection (d) of Section 15-3, but the operating agreement may determine the standards by which the performance of the member's duties or the exercise of the member's rights ~~obligation~~ is to be measured ; ~~, if the standards are not manifestly unreasonable.~~

(8) eliminate, vary, or restrict the priority of a statement of authority over provisions in the articles of organization as provided in subsection (h) Section 13-15;

(9) vary the law applicable under Section 1-65;

(10) vary the power of the court under Section 5-50; or

(11) restrict the right to approve a merger, conversion, or domestication under Article 37 of a member that will have personal liability with respect to a surviving, converted, or domesticated organization.

(c) The operating agreement may:

(1) restrict or eliminate a fiduciary duty, other than the duty of care described in subsection (c) of Section 15-3, but only to the extent the restriction or elimination in the operating agreement is clear and unambiguous;

(2) identify specific types or categories of activities that do not violate any fiduciary duty; and

(3) alter the duty of care, except to authorize intentional misconduct or knowing violation of law.

(d) The operating agreement may specify the method by which a specific act or transaction that would otherwise violate the duty of loyalty may be authorized or ratified by one or more disinterested and independent persons after full disclosure of all material facts.

(e) The operating agreement may alter or eliminate the right to payment or reimbursement for a member or manager provided by Section 15-7 and may eliminate or limit a member or manager's liability to the limited liability company and members for money damages, except for:

(1) subject to subsections (c) and (d) of this Section, breach of the duties as required in subdivisions (1), (2), and (3) of subsection (b) of Section 15-3 and subsection (g) of Section 15-3;

(2) a financial benefit received by the member or manager to which the member or manager is not entitled;

(3) a breach of a duty under Section 25-35;

(4) intentional infliction of harm on the company or a member; or

(5) an intentional violation of criminal law.

(f) A limited liability company is bound by and may enforce the operating agreement, whether or not the company has itself manifested assent to the operating agreement.

(g) A person that becomes a member of a limited liability company is deemed to assent to the operating agreement.

(h) An operating agreement may be entered into before, after, or at the time of filing of articles of organization and, whether entered into before, after, or at the time of the filing, may be made effective as of the time of formation of the limited liability company or as of the time or date provided in the operating agreement.

~~(c) In a limited liability company with only one member, the operating agreement includes any of the following:~~

~~(1) Any writing, without regard to whether the writing otherwise constitutes an agreement, as to the company's affairs signed by the sole member.~~

~~(2) Any written agreement between the member and the company as to the company's affairs.~~

~~(3) Any agreement, which need not be in writing, between the member and the company as to a company's affairs, provided that the company is managed by a manager who is a person other than the member.~~

(Source: P.A. 96-126, eff. 1-1-10.)

(805 ILCS 180/15-7)

Sec. 15-7. Member and manager's right to ~~payments and~~ reimbursement and indemnification.

(a) A limited liability company shall reimburse a member or manager for payments made and indemnify a member or manager for debts, obligations, or other liabilities incurred by the member or manager in the ~~ordinary~~ course of the member's or manager's activities on behalf of the company, if, in making the payment or incurring the debt, obligation, or other liability, the member or manager complied with the

duties stated in Sections 15-3 and 25-35 ~~business of the company or for the preservation of its business or property~~.

(b) A limited liability company shall reimburse a member for an advance to the company beyond the amount of contribution the member agreed to make.

(c) A payment or advance made by a member that gives rise to an obligation of a limited liability company under subsection (a) or (b) of this Section constitutes a loan to the company upon which interest accrues from the date of the payment or advance.

(d) A member is not entitled to remuneration for services performed for a limited liability company, except for reasonable compensation for services rendered in winding up the business of the company.

(e) A limited liability company may purchase and maintain insurance on behalf of a member or manager of the company against liability asserted against or incurred by the member or manager in that capacity or arising from that status even if, under subsection (e) of Section 15-5, the operating agreement could not eliminate or limit the person's liability to the company for the conduct giving rise to the liability.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/20-1)

Sec. 20-1. Form of contribution. The contribution of a member may be in cash, property, services rendered, or other benefit, or a promissory note or other obligation to contribute cash or property or to perform services.

(Source: P.A. 87-1062.)

(805 ILCS 180/20-5)

Sec. 20-5. Member's liability for contributions.

(a) (Blank).

(b) (Blank).

(c) A member's obligation to contribute money, property, or other benefit to, or to perform services for, a limited liability company is not excused by the member's death, disability, dissolution, or any other reason ~~inability to perform personally~~. If a member does not make the required contribution of property or services, the member is obligated at the option of the company to contribute money equal to the value of that portion of the required ~~stated~~ contribution which has not been made. The foregoing option does not limit the availability of any remedy provided for in the operating agreement or under law, including specific performance.

(d) A creditor of a limited liability company who extends credit or otherwise acts in reliance on an obligation described in subsection (c), and without notice of any compromise under subdivision (4) of subsection (d) ~~(c)~~ of Section 15-1, may enforce the original obligation.

(e) Subject to Sections 1-43 and 15-5, the operating agreement may provide that the interest of any member that fails to make any contribution that the member is required to make will be subject to specified remedies for, or specified consequences of, the failure. The specified remedies or consequences may include, without limitation:

(1) Loss of voting, approval, or other rights.

(2) Loss of the member's ability to participate in the management or operations of the limited liability company.

(3) Liquidated damages.

(4) Diluting, reducing, or eliminating the defaulting member's proportionate interest in the company.

(5) Subordinating the defaulting member's right to receive distributions to that of the nondefaulting members.

(6) Permitting the forced sale of the defaulting member's interest in the company.

(7) Permitting one or more nondefaulting members to lend the amount necessary to meet the defaulting member's commitment.

(8) Adjusting the interest rates or other rates of return, preferred, priority or otherwise, with respect to contributions by or capital accounts of the nondefaulting members.

(9) Fixing the value of the defaulting member's interest by appraisal or formula and the redemption or sale of the defaulting member's interest at that value.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/25-35)

Sec. 25-35. Liability for unlawful distributions.

(a) Except as otherwise provided in subsections (b) and (c), if a ~~A~~ member of a member-managed company or a member or manager of a manager-managed company consents ~~who votes for or assents~~ to a distribution made in violation of Section 25-30, the articles of organization, or the operating agreement and in consenting to the distribution fails to comply with Section 15-3, the member or manager is personally liable to the company for the amount of the distribution that exceeds the amount that could have

been distributed without violating Section 25-30, the articles of organization, or the operating agreement ~~if it is established that the member or manager did not perform the member or manager's duties in compliance with Section 15-3~~.

(b) To the extent the operating agreement of a limited liability company expressly relieves a member of the authority and responsibility to consent to distributions and imposes that authority and responsibility on one or more other members, the liability stated in subsection (a) applies to the other members and not the member that the operating agreement relieves of authority and responsibility.

(c) If the members of a member-managed company or the members or managers of a manager-managed company consent to a distribution that violates the articles of organization or the operating agreement, but does not violate Section 25-30, by a vote that would have been sufficient to amend the articles of organization or operating agreement, as the case may be, the liability stated in subsection (a) does not apply.

(d) ~~(b)~~ A person that receives a distribution and that ~~member of a manager-managed company who~~ knew the ~~a~~ distribution was made in violation of Section 25-30, the articles of organization, or the operating agreement is personally liable to the company, but only to the extent that the distribution received by the person ~~member~~ exceeded the amount that could have been properly paid under Section 25-30.

(e) ~~(c)~~ A person ~~member or manager~~ against whom an action is brought under this Section may implead in the action:

(1) all ~~other~~ members or managers who consented ~~voted for or assented~~ to the distribution in violation of subsection (a) of this Section and may compel contribution from them; and

(2) all persons ~~members~~ who received a distribution in violation of subsection (d) ~~(b)~~ of this Section and may compel contribution from any person receiving such a distribution ~~the member~~ in the amount received in violation of subsection (d) ~~(b)~~ of this Section.

(f) ~~(d)~~ A proceeding under this Section is barred unless it is commenced within 2 years after the distribution.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/Art. 30 heading)

Article 30. Transfer ~~Assignment~~ of Distributional ~~Membership~~ Interests

(805 ILCS 180/30-5)

Sec. 30-5. Transfer of a distributional interest.

(a) A transfer of a distributional interest in whole or in part:

(1) does not by itself cause dissolution and winding up of the limited liability company's activities; and

(2) is subject to Section 30-10.

(b) A transfer of a distributional interest does not entitle the transferee to become or to exercise any rights of a member. A transfer entitles the transferee to receive, to the extent transferred, only the distributions to which the transferor would be entitled.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/30-10)

Sec. 30-10. Rights of a transferee.

(a) A transferee of a distributional interest may become a member of a limited liability company if and to the extent that the transferor gives the transferee the right in accordance with authority described in the operating agreement or all other members consent.

(b) A transferee who has become a member, to the extent transferred, has the rights and powers, and is subject to the restrictions and liabilities, of a member under the operating agreement of a limited liability company and this Act. A transferee who becomes a member also is liable for the transferor member's obligations to make contributions under Section 20-5 and for obligations under Section 25-35 to return unlawful distributions, but the transferee is not obligated for the transferor member's liabilities unknown to the transferee at the time the transferee becomes a member.

(c) Whether or not a transferee of a distributional interest becomes a member under subsection (a) of this Section, the transferor is not released from liability to the limited liability company under the operating agreement or this Act.

(d) A transferee who does not become a member is not entitled to participate in the management or conduct of the limited liability company's business, require access to information concerning the

company's transactions, or, except as provided in subsections (c) and (d) of Section 1-40, inspect or copy any of the company's records.

(e) A transferee who does not become a member is entitled to:

(1) receive, in accordance with the transfer, distributions to which the transferor would otherwise be entitled;

(2) receive, upon dissolution and winding up of the limited liability company's business:

(A) in accordance with the transfer, the net amount otherwise distributable to the transferor; and

(B) a statement of account only from the date of the latest statement of account agreed to by all the members. ~~; and~~

~~(3) seek under subdivision (5) of Section 35-1 a judicial determination that it is equitable to dissolve and wind up the company's business.~~

(f) A limited liability company need not give effect to a transfer until it has notice of the transfer.

(Source: P.A. 97-813, eff. 7-13-12.)

(805 ILCS 180/30-20)

Sec. 30-20. Rights of creditor.

(a) On application by a judgment creditor of a member or transferee, a court may enter a charging order against the distributional interest of the judgment debtor for the unsatisfied amount of the judgment. A charging order constitutes a lien on a judgment debtor's distributional interest and requires the limited liability company to pay over to the person to which the charging order was issued any distribution that would otherwise be paid to the judgment debtor. A charging order grants no other rights with respect to the assets or affairs of the company. ~~On application by a judgment creditor of a member of a limited liability company or of a member's transferee, a court having jurisdiction may charge the distributional interest of the judgment debtor to satisfy the judgment. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances may require to give effect to the charging order~~.

(b) To the extent necessary to effectuate the collection of distributions pursuant to a charging order in effect under subsection (a), the court may:

(1) appoint a receiver of the distributions subject to the charging order, with the power to make all inquiries the judgment debtor might have made; and

(2) make all other orders necessary to give effect to the charging order. ~~A charging order constitutes a lien on the judgment debtor's distributional interest. The court may order a foreclosure of a lien on a distributional interest subject to the charging order at any time. A purchaser at the foreclosure sale has the rights of a transferee.~~

(c) At any time the court may foreclose the lien and order the sale of the distributional interest. The purchaser at the foreclosure sale obtains only the distributional interest, does not thereby become a member, and is subject to Section 30-10. ~~At any time before foreclosure, a distributional interest in a limited liability company that is charged may be redeemed:~~

~~(1) by the judgment debtor;~~

~~(2) with property other than the company's property, by one or more of the other members; or~~

~~(3) with the company's property, but only if permitted by the operating agreement.~~

(d) At any time before foreclosure under subsection (c), the member or transferee whose distributional interest is subject to a charging order under subsection (a) may extinguish the charging order by satisfying the judgment and filing a certified copy of the satisfaction with the court that issued the charging order. ~~This Act does not affect a member's right under exemption laws with respect to the member's distributional interest in a limited liability company.~~

(e) At any time before foreclosure under subsection (c), a limited liability company or one or more members whose distributional interests are not subject to the charging order may satisfy the judgment and thereby succeed to the rights of the judgment creditor, including the charging order. ~~This Section provides the exclusive remedy by which a judgment creditor of a member or a transferee may satisfy a judgment out of the judgment debtor's distributional interest in a limited liability company.~~

(f) This Act does not deprive any member or transferee of the benefit of any exemption laws applicable to the member's or transferee's distributional interest.

(g) This Section provides the exclusive remedy by which a person seeking to enforce a judgment against a member or transferee may, in the capacity of judgment creditor, satisfy the judgment from the judgment debtor's distributional interest. If and to the extent that other law permits a judgment creditor to obtain a

lien against the distributional interest or other rights of a member or transferee of a member, the lien shall be treated as a charging order subject to all the provisions of this Section.
(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/30-25 new)

Sec. 30-25. Power of personal representative of deceased member. If a member dies, the deceased member's personal representative or other legal representative may exercise the rights of a transferee provided in subsection (e) of Section 30-10 and, for the purposes of settling the estate, the rights of a current member under Section 10-15.

(805 ILCS 180/35-1)

Sec. 35-1. Events causing dissolution and winding up of company's business.

(a) A limited liability company is dissolved ~~,~~ and~~, unless continued pursuant to subsection (b) of Section 35-3,~~ its business must be wound up, upon the occurrence of any of the following events:

(1) An event or circumstance that causes the dissolution of a company by the express terms of ~~specified in~~ the operating agreement.

(2) The consent of all members ~~Consent of the number or percentage of members specified in the operating agreement~~.

(3) The passage of 180 consecutive days during which the company has no members ~~An event that makes it unlawful for all or substantially all of the business of the company to be continued, but any cure of illegality within 90 days after notice to the company of the event is effective retroactively to the date of the event for purposes of this Section~~.

(4) On application by a member or a dissociated member, upon entry of a judicial decree that:

(A) the economic purpose of the company has been or is likely to be unreasonably frustrated;

(B) the ~~another member has engaged in~~ conduct of all or substantially all of ~~relating to~~ the company's activities is unlawful ~~business that makes it not reasonably practicable to carry on the company's business with that member~~;

(C) it is not otherwise reasonably practicable to carry on the company's business in conformity with the articles of organization and the operating agreement. ;

(5) On application by a member or transferee of a ~~(D) the company failed to purchase the petitioner's~~ distributional interest , upon entry of a judicial decree that ~~as required by Section 35-60; or (E)~~ the managers or those members in control of the company:

(A) have acted, are acting, or will act in a manner that is illegal ~~, oppressive,~~ or fraudulent ; or ~~with respect to the petitioner.~~

(B) have acted or are acting in a manner that is oppressive and was, is, or will be directly harmful to the applicant.

~~(5) On application by a transferee of a member's interest, a judicial determination that it is equitable to wind up the company's business.~~

(6) Administrative dissolution under Section 35-25.

(b) In a proceeding under subdivision (4) or (5) of subsection (a), the court may order a remedy other than dissolution including, but not limited to, a buyout of the applicant's membership interest.
(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/35-3)

Sec. 35-3. Limited liability company continues after dissolution.

(a) Subject to subsections (b)~~,~~ ~~and~~ (c) , and (d) of this Section, a limited liability company continues after dissolution only for the purpose of winding up its business.

(b) At any time after the dissolution of a limited liability company and before the winding up of its business is completed, the members, including a dissociated member whose dissociation caused the dissolution, may unanimously waive the right to have the company's business wound up and the company terminated. In that case ~~Any such waiver shall take effect upon~~:

~~(1) (blank);~~

~~(2) (blank);~~

~~(3) the filing with the Secretary of State by the limited liability company of all reports then due and theretofore becoming due;~~

~~(4) the payment to the Secretary of State by the limited liability company of all fees and penalties then due and theretofore becoming due; and~~

~~(5) the filing of articles of revocation of dissolution setting forth:~~

~~(A) the name of the limited liability company at the time of filing the articles of dissolution;~~

~~(B) if the name is not available for use as determined by the Secretary of State at the time of filing the articles of revocation of dissolution, the name of the limited liability company as changed, provided that any change of name is properly effected under Section 1-10 and Section 5-25 of this Act;~~

~~(C) the effective date of the dissolution that was revoked;~~

~~(D) the date that the revocation of dissolution was authorized;~~

~~(E) a statement that the members have unanimously waived the right to have the company's business wound up and the company terminated; and~~

~~(F) the address, including street and number or rural route number, of the registered office of the limited liability company upon revocation of dissolution and the name of its registered agent at that address upon the revocation of dissolution of the limited liability company, provided that any change from either the registered office or the registered agent at the time of dissolution is properly reported under Section 1-35 of this Act.~~

~~Upon compliance with the provisions of this subsection, the Secretary of State shall file the articles of revocation of dissolution. Upon filing of the articles of revocation of dissolution:~~

(1) ~~(i)~~ the limited liability company resumes carrying on its business as if dissolution had never occurred, and any liability incurred by the ~~limited liability~~ company or a member after the dissolution and before the waiver is determined as if the dissolution had never occurred; and

(2) ~~(ii)~~ the rights of a third party accruing under subsection (a) of Section 35-7 or arising out of conduct in reliance on the dissolution before the third party knew or received a notification of the waiver are not adversely affected.

(c) If there are no members, the legal representative of the last remaining member may, within one year after the occurrence of the event that caused the dissociation of the last remaining member, agree in writing to continue the limited liability company. In that event, the legal representative or its nominee or designee will be admitted to the company as a member and the company will not be dissolved or its business wound up until the occurrence of a future event of dissolution, if any.

(d) This Section does not apply in the case of a dissolution described in subdivision (4), (5), or (6) of Section 35-1.

~~(c) Unless otherwise provided in the articles of organization or the operating agreement, the limited liability company is not dissolved and is not required to be wound up if:~~

~~(1) within 6 months or such period as is provided for in the articles of organization or the operating agreement after the occurrence of the event that caused the dissociation of the last remaining member, the personal representative of the last remaining member agrees in writing to continue the limited liability company until the admission of the personal representative of that member or its nominee or designee to the limited liability company as a member, effective as of the occurrence of the event that caused the dissociation of the last remaining member, provided that the articles of organization or the operating agreement may provide that the personal representative of the last remaining member shall be obligated to agree in writing to continue the limited liability company and to the admission of the personal representative of that member or its nominee or designee to the limited liability company as a member, effective as of the occurrence of the event that caused the dissociation of the last remaining member; or~~

~~(2) a member is admitted to the limited liability company in the manner provided for in the articles of organization or the operating agreement, effective as of the occurrence of the event that caused the dissociation of the last remaining member, within 6 months or such other period as is provided for in the operating agreement after the occurrence of the event that caused the dissociation of the last remaining member, pursuant to a provision of the articles of organization or the operating agreement that specifically provides for the admission of a member to the limited liability company after there is no longer a remaining member of the limited liability company.~~

(Source: P.A. 98-720, eff. 7-16-14.)

(805 ILCS 180/35-4)

Sec. 35-4. Wind ~~Right to wind~~ up of limited liability company's business.

(a) After dissolution, a member who has not wrongfully dissociated may participate in winding up a limited liability company's business~~, but on application of any member, member's legal representative, or transferee, the Circuit Court, for good cause shown, may order judicial supervision of the winding up~~.

(b) If a dissolved limited liability company has no members, the ~~A~~ legal representative of the last person to have been a ~~surviving~~ member may wind up the ~~a limited liability company's~~ business of the company. If the person does so, the person has the powers of a sole manager under subsection (b) of Section 15-1 and is deemed to be a manager for the purposes of subsection (a) of Section 10-10.

(c) A person winding up a limited liability company's business (1) may preserve the company's business or property as a going concern for a reasonable time, prosecute and defend actions and proceedings, whether civil, criminal, or administrative, ~~settle and close the company's business,~~ dispose of and transfer

the company's property, settle disputes by mediation or arbitration, and perform other acts necessary or appropriate to winding up and (2) shall discharge the company's debts, obligations, or other liabilities, settle and close the company's business and marshal and distribute the assets of the company pursuant to Section 35-10 ~~, settle disputes by mediation or arbitration, and perform other necessary acts~~.

(d) If the legal representative under subsection (b) declines or fails to wind up the company's business, a person may be appointed to do so by the consent of transferees owning a majority of the rights to receive distributions as transferees at the time the consent is to be effective. A person appointed under this subsection:

(1) has the powers of a sole manager under subsection (b) of Section 15-1 and is deemed to be a manager for the purposes of subsection (a) of Section 10-10; and

(2) shall promptly deliver to the Secretary of State for filing an amendment to the company's articles of organization to:

(A) state that the company has no members;

(B) state that the person has been appointed pursuant to this subsection to wind up the company; and

(C) provide the mailing addresses of the person.

(e) The circuit court may order judicial supervision of the winding up of a dissolved limited liability company, including the appointment of a person to wind up the company's business:

(1) on application of a member, if the applicant establishes good cause;

(2) on the application of a transferee, if:

(A) the company does not have any members;

(B) the legal representative of the last person to have been a member declines or fails to wind up the company's business; and

(C) within a reasonable time following the dissolution a person has not been appointed pursuant to subsection (d); or

(3) in connection with a proceeding under subdivision (4) of subsection (a) of Section 35-1.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/35-7)

Sec. 35-7. Member or manager's power and liability as agent after dissolution.

(a) A limited liability company is bound by a member or manager's act after dissolution that:

(1) is appropriate for winding up the company's business; or

(2) would have bound the company ~~under Section 13-5~~ before dissolution, if the other party to the transaction did not have notice of the dissolution.

(b) A member or manager who, with knowledge of the dissolution, subjects a limited liability company to liability by an act that is not appropriate for winding up the company's business is liable to the company for any damage caused to the company arising from the liability.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/35-15)

Sec. 35-15. Statement ~~Articles~~ of termination ~~dissolution~~. When a ~~all debts, liabilities, and obligations of the~~ limited liability company has been wound up, a statement of termination ~~have been paid and discharged or adequate provision has been made therefor and all of the remaining property and assets of the limited liability company have been distributed to the members, articles of dissolution~~ shall be executed in duplicate in the manner prescribed in Section 5-45 and shall set forth all of the following:

(1) The name of the limited liability company; and ~~.~~

(2) A statement that the limited liability company has been terminated. ~~That all debts, obligations, and liabilities of the limited liability company have been paid and discharged or that adequate provision has been made therefor.~~

~~(3) That all the remaining property and assets of the limited liability company have been distributed among its members in accordance with their respective rights and interests.~~

~~(4) That there are no suits pending against the company in any court or that adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered against it in any pending suit.~~

(Source: P.A. 87-1062.)

(805 ILCS 180/35-20)

Sec. 35-20. Filing of statement ~~articles~~ of termination ~~dissolution~~.

(a) Duplicate originals of the statement ~~articles~~ of termination ~~dissolution~~ shall be delivered to the Secretary of State. If the Secretary of State finds that the statement ~~articles~~ of termination conforms ~~dissolution conform~~ to law, he or she shall, when all required fees have been paid:

(1) endorse on each duplicate original the word "Filed" and the date of the filing

thereof; and

(2) file one duplicate original in his or her office.

(b) A duplicate original of the statement ~~articles~~ of termination ~~dissolution~~ shall be returned to the representative of the dissolved limited liability company. Upon the filing of a statement ~~the articles~~ of termination ~~dissolution~~, the existence of the company shall terminate, and its articles of organization shall be deemed cancelled, except for the purpose of suits, other proceedings, and appropriate action as provided in this Article. The manager or managers or member or members at the time of termination, or those that remain, shall thereafter be trustee for the members and creditors of the terminated company and, in that capacity, shall have authority to convey or distribute any company property discovered after termination and take any other action that may be necessary on behalf of and in the name of the terminated company. (Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/35-37 new)

Sec. 35-37. Administrative dissolution; limited liability company name. The Secretary of State shall not allow another limited liability company or corporation to use the name of a domestic limited liability company that has been administratively dissolved until 3 years have elapsed following the date of issuance of the notice of dissolution. If the domestic limited liability company that has been administratively dissolved is reinstated within 3 years after the date of issuance of the notice of dissolution, the domestic limited liability company shall continue under its previous name unless the limited liability company changes its name upon reinstatement.

(805 ILCS 180/35-45)

Sec. 35-45. Events causing member's dissociation. A member is dissociated from a limited liability company upon the occurrence of any of the following events:

(1) The company's having notice of the member's express will to withdraw upon the date of notice or on a later date specified by the member.

(2) An event agreed to in the operating agreement as causing the member's dissociation.

(3) Upon transfer of all of a member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest that has not been foreclosed.

(4) The member's expulsion pursuant to the operating agreement.

(5) The member's expulsion by unanimous vote of the other members if:

(A) it is unlawful to carry on the company's business with the member;

(B) there has been a transfer of substantially all of the member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest that has not been foreclosed;

(C) within 90 days after the company notifies a corporate member that it will be expelled because it has filed a certificate of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, the member fails to obtain a revocation of the certificate of dissolution or a reinstatement of its charter or its right to conduct business; or

(D) a partnership or a limited liability company that is a member has been dissolved and its business is being wound up.

(6) On application by the company or another member, the member's expulsion by judicial determination because the member:

(A) engaged in wrongful conduct that adversely and materially affected the company's business;

(B) willfully or persistently committed a material breach of the operating agreement or of a duty owed to the company or the other members under Section 15-3; or

(C) engaged in conduct relating to the company's business that makes it not reasonably practicable to carry on the business with the member.

(7) The member's:

(A) becoming a debtor in bankruptcy;

(B) executing an assignment for the benefit of creditors;

(C) seeking, consenting to, or acquiescing in the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property; or

(D) failing, within 90 days after the appointment, to have vacated or stayed the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property obtained without the member's consent or acquiescence, or failing within 90 days after the expiration of a stay to have the appointment vacated.

(8) In the case of a member who is an individual:

(A) the member's death;

(B) the appointment of a guardian or general conservator for the member; or

(C) a judicial determination that the member has otherwise become incapable of performing the member's duties under the operating agreement.

(9) In the case of a member that is a trust or is acting as a member by virtue of being a trustee of a trust, distribution of the trust's entire rights to receive distributions from the company, but not merely by reason of the substitution of a successor trustee.

(10) In the case of a member that is an estate or is acting as a member by virtue of being a personal representative of an estate, distribution of the estate's entire rights to receive distributions from the company, but not merely the substitution of a successor personal representative.

(11) Termination of the existence of a member if the member is not an individual, estate, or trust other than a business trust.

(12) In the case of a company that participates in a merger under Article 37, if:

(A) the company is not the surviving entity; or

(B) otherwise as a result of the merger, the person ceases to be a member.

(13) The company participates in a conversion under Article 37.

(14) The company participates in a domestication under Article 37, if, as a result the person ceases to be a member.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/35-55)

Sec. 35-55. Effect of member's dissociation.

(a) ~~Upon a member's dissociation the company must cause the dissociated member's distributional interest to be purchased under Section 35-60. (b)~~ Upon a member's dissociation from a limited liability company:

(1) the member's right to participate in the management and conduct of the company's business terminates, except as otherwise provided in Section 35-4, and the member ceases to be a member and is treated the same as a transferee of a member;

(2) the member's fiduciary duties terminate, except as provided in subdivision (3) of this subsection (a) ~~(b)~~; ~~and~~

(3) the member's duty of loyalty under subdivisions (1) and (2) of subsection (b) of Section 15-3 and duty of care under subsection (c) of Section 15-3 continue only with regard to matters arising and events occurring before the member's dissociation, unless the member participates in winding up the company's business pursuant to Section 35-4; and ~~.~~

(4) subject to Section 30-25 and Article 37, any distributional interest owned by the person immediately before dissociation in the person's capacity as a member is owned by the person solely as a transferee.

(b) A person's dissociation as a member of a limited liability company does not of itself discharge the person from any debt, obligation, or other liability to the company or the other members which the person incurred while a member.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/Art. 37 heading)

Article 37. Conversions, domestications, mergers, and series

(Source: P.A. 97-839, eff. 7-20-12.)

(805 ILCS 180/37-5)

Sec. 37-5. Definitions. In this Article:

"Constituent limited liability company" means a constituent organization that is a limited liability company.

"Constituent organization" means an organization that is party to a merger.

"Converted organization" means the organization into which a converting organization converts pursuant to Sections 37-10 through 37-17.

"Converting limited liability company" means a converting organization that is a limited liability company.

"Converting organization" means an organization that converts into another organization pursuant to Sections 37-10 through 37-17.

"Domesticated company" means the company that exists after a domesticating foreign limited liability company or limited liability company effects a domestication pursuant to Sections 37-31 through 37-34.

"Domesticating company" means the company that effects a domestication pursuant to Sections 37-31 through 37-34.

"Governing statute" means the statute that governs an organization's internal affairs.

"Organization" means a general partnership, including a limited liability partnership, limited partnership, including a limited liability limited partnership, limited liability company, business trust, corporation, or any other person having a governing statute. The term includes a domestic or foreign organization regardless of whether organized for profit.

"Organizational document" means:

(1) for a domestic or foreign general partnership, its partnership agreement;

(2) for a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement;

(3) for a domestic or foreign limited liability company, its certificate or articles of organization and operating agreement, or comparable records as provided in its governing statute;

(4) for a business trust, its agreement of trust and declaration of trust;

(5) for a domestic or foreign corporation for profit, its articles of incorporation, bylaws, and any agreements among its shareholders which are authorized by its governing statute, or comparable records as provided in its governing statute; and

(6) for any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it.

"Personal liability" means liability for a debt, obligation, or other liability of an organization which is imposed on a person that co-owns, has an interest in, or is a member of the organization:

(1) by the governing statute solely by reason of the person co-owning, having an interest in, or being a member of the organization; or

(2) by the organization's organizational documents under a provision of the governing statute authorizing those documents to make one or more specified persons liable for all or specified debts, obligations, or other liabilities of the organization solely by reason of the person or persons co-owning, having an interest in, or being a member of the organization.

"Surviving organization" means an organization into which one or more other organizations are merged whether the organization preexisted the merger or was created by the merger.

~~"Corporation" means (i) a corporation under the Business Corporation Act of 1983, a predecessor law, or comparable law of another jurisdiction or (ii) a bank or savings bank.~~

~~"General partner" means a partner in a partnership and a general partner in a limited partnership.~~

~~"Limited partner" means a limited partner in a limited partnership.~~

~~"Limited partnership" means a limited partnership created under the Uniform Limited Partnership Act (2001), a predecessor law, or comparable law of another jurisdiction.~~

~~"Partner" includes a general partner and a limited partner.~~

~~"Partnership" means a general partnership under the Uniform Partnership Act (1997), a predecessor law, or comparable law of another jurisdiction.~~

~~"Partnership agreement" means an agreement among the partners concerning the partnership or limited partnership.~~

~~"Shareholder" means a shareholder in a corporation.~~

(Source: P.A. 96-328, eff. 8-11-09.)

(805 ILCS 180/37-10)

Sec. 37-10. Conversion ~~of partnership or limited partnership to limited liability company~~.

(a) An organization other than a limited liability company or a foreign limited liability company may convert to a limited liability company, and a limited liability company may convert to an organization other than a foreign limited liability company pursuant to this Section, Sections 37-15 through 37-17, and a plan of conversion, if:

(1) the other organization's governing statute authorizes the conversion;

(2) the conversion is not prohibited by the law of the jurisdiction that enacted the other organization's governing statute; and

(3) the other organization complies with its governing statute in effecting the conversion.

(b) A plan of conversion must be in a record and must include:

(1) the name and form of the organization before conversion;

(2) the name and form of the organization after conversion;

(3) the terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into any combination of money, interests in the converted organization, and other consideration; and

(4) the organizational documents of the converted organization that are, or are proposed to be, in a record. ~~A partnership or limited partnership may be converted to a limited liability company pursuant to this Section if conversion to a limited liability company is permitted under the law governing the partnership or limited partnership.~~

~~(b) The terms and conditions of a conversion of a partnership or limited partnership to a limited liability company must be approved by all of the partners or by a number or percentage of the partners required for conversion in the partnership agreement.~~

~~(c) An agreement of conversion must set forth the terms and conditions of the conversion of the interests of partners of a partnership or of a limited partnership, as the case may be, into interests in the converted limited liability company or the cash or other consideration to be paid or delivered as a result of the conversion of the interests of the partners, or a combination thereof.~~

~~(d) After a conversion is approved under subsection (b) of this Section, the partnership or limited partnership shall file articles of organization in the office of the Secretary of State that satisfy the requirements of Section 5-5 and contain all of the following:~~

~~(1) A statement that the partnership or limited partnership was converted to a limited liability company from a partnership or limited partnership, as the case may be.~~

~~(2) Its former name.~~

~~(3) A statement of the number of votes cast by the partners entitled to vote for and against the conversion and, if the vote is less than unanimous, the number or percentage required to approve the conversion under subsection (b) of this Section.~~

~~(4) In the case of a limited partnership, a statement that the certificate of limited partnership shall be canceled as of the date the conversion took effect.~~

~~(e) In the case of a limited partnership, the filing of articles of organization under subsection (d) of this Section cancels its certificate of limited partnership as of the date the conversion took effect.~~

~~(f) A conversion takes effect when the articles of organization are filed in the office of the Secretary of State or on a date specified in the articles of organization not later than 30 days subsequent to the filing of the articles of organization.~~

~~(g) A general partner who becomes a member of a limited liability company as a result of a conversion remains liable as a partner for an obligation incurred by the partnership or limited partnership before the conversion takes effect.~~

~~(h) A general partner's liability for all obligations of the limited liability company incurred after the conversion takes effect is that of a member of the company. A limited partner who becomes a member as a result of a conversion remains liable only to the extent the limited partner was liable for an obligation incurred by the limited partnership before the conversion takes effect.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-15)

Sec. 37-15. Effect of conversion; entity unchanged.

(a) An organization ~~A partnership or limited partnership~~ that has been converted pursuant to Sections 37-10 through 37-17 ~~under this Article~~ is for all purposes the same entity that existed before the conversion.

(b) When a conversion takes effect:

(1) all property owned by the converting organization remains vested in the converted organization ~~partnership or limited partnership vests in the limited liability company~~;

(2) all debts, ~~liabilities, and other~~ obligations , or other liabilities of the converting organization ~~partnership or limited partnership~~ continue as debts, obligations, or other liabilities of the converted organization ~~limited liability company~~;

(3) an action or proceeding pending by or against the converting organization ~~partnership or limited partnership~~ may be continued as if

the conversion had not occurred;

(4) except as prohibited by ~~other~~ law other than Article 37, all of the rights, privileges, immunities, powers,

and purposes of the converting organization remain vested in the converted organization ~~partnership or limited partnership vest in the limited liability company~~; ~~and~~

(5) except as otherwise provided in the plan of conversion, the terms and conditions of the plan of conversion take effect; and

(6) except as otherwise agreed, the conversion does not dissolve a converting limited liability company for the purposes of Article 35.

(c) A converted organization that is a foreign organization consents to the jurisdiction of the courts of this State to enforce any debt, obligation, or other liability for which the converting limited liability company is liable if, before the conversion, the converting limited liability company was subject to suit in this State on the debt, obligation, or other liability. A converted organization that is a foreign organization and not authorized to transact business in this State appoints the Secretary of State as its agent for service of process for purposes of enforcing a debt, obligation, or other liability under this subsection. Service on

the Secretary of State under this subsection must be made in the same manner and has the same consequences as in subsections (b) and (c) of Section 1-50. ~~agreement of conversion under Section 37-10, all of the partners of the converting partnership continue as members of the limited liability company.~~
(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-16 new)

Sec. 37-16. Action on plan of conversion by converting limited liability company.

(a) Subject to Section 37-36, a plan of conversion must be consented to by all the members of a converting limited liability company.

(b) Subject to Section 37-36 and any contractual rights, after a conversion is approved, and at any time before a filing is made under Section 37-17, a converting limited liability company may amend the plan or abandon the conversion:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, by the same consent as was required to approve the plan.

(805 ILCS 180/37-17 new)

Sec. 37-17. Filings required for conversion; effective date.

(a) After a plan of conversion is approved:

(1) a converting limited liability company shall deliver to the Secretary of State for filing articles of conversion, which must be executed as provided in Section 5-45 and must include:

(A) a statement that the limited liability company has been converted into another organization;

(B) the name and form of the organization and the jurisdiction of its governing statute;

(C) the date the conversion is effective under the governing statute of the converted organization;

(D) a statement that the conversion was approved as required by this Act;

(E) a statement that the conversion was approved as required by the governing statute of the converted organization; and

(F) if the converted organization is a foreign organization not authorized to transact business in this State, the street and mailing addresses of an office which the Secretary of State may use for the purposes of subsection (c) of Section 37-15; and

(2) if the converting organization is not a converting limited liability company, the converting organization shall deliver to the Secretary of State for filing, articles of organization, which must include, in addition to the information required by Section 5-5:

(A) a statement that the converted organization was converted from another organization;

(B) the name and form of the converting organization and the jurisdiction of its governing statute; and

(C) a statement that the conversion was approved in a manner that complied with the converting organization's governing statute.

(b) A conversion becomes effective:

(1) if the converted organization is a limited liability company, when the articles of organization take effect; and

(2) if the converted organization is not a limited liability company, as provided by the governing statute of the converted organization.

(805 ILCS 180/37-20)

Sec. 37-20. Merger of entities.

(a) A ~~Pursuant to a plan of merger approved under subsection (c) of this Section, a~~ limited liability company may merge ~~be merged~~ with one or more other constituent organizations pursuant to this Section, Sections 37-21 through 37-30, and a plan of merger, if:

(1) the governing statute of each of the other organizations authorizes the merger;

(2) the merger is not prohibited by the law of a jurisdiction that enacted any of the governing statutes; and

(3) each of the other organizations complies with its governing statute in effecting the merger. ~~or into one or more limited liability companies, foreign limited liability companies, corporations, foreign corporations, partnerships, foreign partnerships, limited partnerships, foreign limited partnerships, or other domestic or foreign entities if merger with or into a limited liability company is permitted under the law governing the domestic or foreign entity.~~

(b) A plan of merger must be in a record and must include ~~set forth all of the following~~:

(1) the ~~The~~ name and form of each constituent organization; ~~entity that is a party to the merger.~~

(2) the ~~The~~ name and form of the surviving organization and, if the surviving organization is to be created by the merger, a statement to that effect; ~~entity into which the other entities will merge.~~

~~(3) The type of organization of the surviving entity.~~

(3) the ~~(4) The~~ terms and conditions of the merger , including the ~~. (5) The~~ manner and basis for converting the interests in each constituent organization into any combination of money, ~~shares, obligations, or other securities of each party to the merger into~~ interests in ~~, shares, obligations, or other securities of~~ the surviving organization, and other consideration; ~~entity, or into money or other property in whole or in part.~~

(4) if the surviving organization is to be created by the merger, the surviving organization's organizational documents that are proposed to be in a record; and

(5) if the surviving organization is not to be created by the merger, any amendments to be made by the merger to the surviving organization's organizational documents that are, or are proposed to be, in a record.

~~(6) The street address of the surviving entity's principal place of business.~~

~~(c) A plan of merger must be approved:~~

~~(1) in the case of a limited liability company that is a party to the merger, by all of the members or by a number or percentage of members specified in the operating agreement;~~

~~(2) in the case of a foreign limited liability company that is a party to the merger, by the vote required for approval of a merger by the law of the state or foreign jurisdiction in which the foreign limited liability company is organized;~~

~~(3) in the case of a partnership or domestic limited partnership that is a party to the merger, by the vote required for approval of a conversion under Section 37-5(b); and~~

~~(4) in the case of any other entities that are parties to the merger, by the vote required for approval of a merger by the law of this State or of the state or foreign jurisdiction in which the entity is organized and, in the absence of such a requirement, by all the owners of interests in the entity.~~

~~(d) After a plan of merger is approved and before the merger takes effect, the plan may be amended or abandoned as provided in the plan.~~

~~(e) The merger is effective upon the filing of the articles of merger with the Secretary of State, or a later date as specified in the articles of merger not later than 30 days subsequent to the filing of the plan of merger under Section 37-25.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-21 new)

Sec. 37-21. Action on plan of merger by constituent limited liability company.

(a) Subject to Section 37-36, a plan of merger must be consented to by all the members of a constituent limited liability company.

(b) Subject to Section 37-36 and any contractual rights, after a merger is approved and at any time before articles of merger are delivered to the Secretary of State for filing under Section 37-25, a constituent limited liability company may amend the plan or abandon the merger:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, with the same consent as was required to approve the plan.

(805 ILCS 180/37-25)

Sec. 37-25. Articles of merger.

(a) After each constituent organization has approved a ~~approval of the plan of~~ merger ~~under Section 37-20, unless the merger is abandoned under subsection (d) of Section 37-20~~, articles of merger must be signed on behalf of :

(1) each constituent limited liability company as provided in Section 5-45; and

(2) each other constituent organization, as provided in its governing statute ~~and other entity that is a party to the merger and delivered to the Secretary of State for filing~~.

(b) Articles of merger under this Section ~~The articles~~ must include ~~set forth all of the following~~:

(1) the ~~The~~ name and form of each constituent organization and the jurisdiction of its governing statute; ~~formation or organization of each of the limited liability companies and other entities that are parties to the merger.~~

~~(2) For each limited liability company that is to merge, the date its articles of organization were filed with the Secretary of State.~~

~~(3) That a plan of merger has been approved and signed by each limited liability company and other entity that is to merge and, if a corporation is a party to the merger, a copy of the plan as approved by the corporation shall be attached to the articles.~~

(2) the ~~(4) The~~ name and form ~~address~~ of the surviving organization, the jurisdiction of its governing statute and, if the surviving organization is created by the merger, a statement to that effect; ~~limited liability company or other surviving entity.~~

(3) the ~~(5) The effective~~ date ~~of the~~ merger is effective under the governing statute of the surviving organization; ~~.~~

(4) if the surviving organization is to be created by the merger:

(A) if it will be a limited liability company, the company's articles of organization; or

(B) if it will be an organization other than a limited liability company, the organizational document that creates the organization that is in a public record;

(5) if the surviving organization preexists the merger, any amendments provided for in the plan of merger for the organizational document that created the organization that are in a public record;

(6) a statement as to each constituent organization that the merger was approved as required by the organization's governing statute;

(7) if the surviving organization is a foreign organization not authorized to transact business in this State, the street and mailing addresses of an office the Secretary of State may use for the purposes of subsection (b) of Section 37-30; and

(8) any additional information required by the governing statute of any constituent organization.

(c) Each constituent limited liability company shall deliver the articles of merger for filing to the Secretary of State.

(d) A merger becomes effective:

(1) if the surviving organization is a limited liability company, upon the later of:

(A) compliance with subsection (c); or

(B) subject to Section 5-40, as specified in the articles of merger; or

(2) if the surviving organization is not a limited liability company, as provided by the governing statute of the surviving organization.

~~(6) If a limited liability company is the surviving entity, any changes in its articles of organization that are necessary by reason of the merger.~~

~~(7) If a party to a merger is a foreign limited liability company, the jurisdiction and date of filing of its initial articles of organization and the date when its application for authority was filed by the Secretary of State or, if an application has not been filed, a statement to that effect.~~

~~(8) If the surviving entity is not a limited liability company, an agreement that the surviving entity may be served with process in this State and is subject to liability in any action or proceeding for the enforcement of any liability or obligation of any limited liability company previously subject to suit in this State which is to merge, and for the enforcement, as provided in this Act, of the right of members of any limited liability company to receive payment for their interest against the surviving entity.~~

~~(b) If a foreign limited liability company is the surviving entity of a merger, it may not do business in this State until an application for that authority is filed with the Secretary of State.~~

~~(c) The surviving limited liability company or other entity shall furnish a copy of the plan of merger, on request and without cost, to any member of any limited liability company or any person holding an interest in any other entity that is to merge.~~

~~(d) To the extent the articles of merger are inconsistent with the limited liability company's articles of organization, the articles of merger shall operate as an amendment to the company's articles of organization.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-30)

Sec. 37-30. Effect of merger.

(a) When a merger becomes effective ~~takes effect~~:

(1) the surviving organization continues or comes into existence;

(2) each constituent organization that merges into the surviving organization ceases to exist as a separate entity;

(3) all property owned by each constituent organization that ceases to exist vests in the surviving organization;

(4) all debts, obligations, or other liabilities of each constituent organization that ceases to exist continue as debts, obligations, or other liabilities of the surviving organization;

(5) an action or proceeding pending by or against any constituent organization that ceases to exist may be continued as if the merger had not occurred;

(6) except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of each constituent organization that ceases to exist vest in the surviving organization;

(7) except as otherwise provided in the plan of merger, the terms and conditions of the plan of merger take effect;

(8) except as otherwise agreed, if a constituent limited liability company ceases to exist, the merger does not dissolve the limited liability company for the purposes of Article 35;

(9) if the surviving organization is created by the merger:

(A) if it is a limited liability company, the articles of organization become effective; or

(B) if it is an organization other than a limited liability company, the organizational document that creates the organization becomes effective; and

(10) if the surviving organization preexisted the merger, any amendments provided for in the articles of merger for the organizational document that created the organization become effective.

(b) A surviving organization that is a foreign organization consents to the jurisdiction of the courts of this State to enforce any debt, obligation, or other liability owed by a constituent organization, if before the merger the constituent organization was subject to suit in this State on the debt, obligation, or other liability. A surviving organization that is a foreign organization and not authorized to transact business in this State appoints the Secretary of State as its agent for service of process for the purposes of enforcing a debt, obligation, or other liability under this subsection. Service on the Secretary of State under this subsection must be made in the same manner and has the same consequences as in subsections (b) and (c) of Section 1-50.

~~(1) the separate existence of each limited liability company and other entity that is a party to the merger, other than the surviving entity, terminates;~~

~~(2) all property owned by each of the limited liability companies and other entities that are party to the merger vests in the surviving entity;~~

~~(3) all debts, liabilities, and other obligations of each limited liability company and other entity that is party to the merger become the obligations of the surviving entity;~~

~~(4) an action or proceeding pending by or against a limited liability company or other party to a merger may be continued as if the merger had not occurred or the surviving entity may be substituted as a party to the action or proceeding; and~~

~~(5) except as prohibited by other law, all the rights, privileges, immunities, powers, and purposes of every limited liability company and other entity that is a party to a merger vest in the surviving entity.~~

~~(b) The Secretary of State is an agent for service of process in an action or proceeding against the surviving foreign entity to enforce an obligation of any party to a merger if the surviving foreign entity fails to appoint or maintain an agent designated for service of process in this State or the agent for service of process cannot with reasonable diligence be found at the designated office. Service is effected under this subsection (b) at the earliest of:~~

~~(1) the date the company receives the process, notice, or demand;~~

~~(2) the date shown on the return receipt, if signed on behalf of the company; or~~

~~(3) 5 days after its deposit in the mail, if mailed postpaid and correctly addressed.~~

~~(c) Service under subsection (b) of this Section shall be made by the person instituting the action by doing all of the following:~~

~~(1) Serving on the Secretary of State, or on any employee having responsibility for administering this Act, a copy of the process, notice, or demand, together with any papers required by law to be delivered in connection with service and paying the fee prescribed by Article 50 of this Act.~~

~~(2) Transmitting notice of the service on the Secretary of State and a copy of the process, notice, or demand and accompanying papers to the surviving entity being served, by registered or certified mail at the address set forth in the articles of merger.~~

~~(3) Attaching an affidavit of compliance with this Section, in substantially the form that the Secretary of State may by rule prescribe, to the process, notice, or demand.~~

~~(d) Nothing contained in this Section shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a limited liability company in any other manner now or hereafter permitted by law.~~

~~(e) A member of the surviving limited liability company is liable for all obligations of a party to the merger for which the member was personally liable before the merger.~~

~~(f) Unless otherwise agreed, a merger of a limited liability company that is not the surviving entity in the merger does not require the limited liability company to wind up its business under this Act or pay its liabilities and distribute its assets under this Act.~~

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-31 new)

Sec. 37-31. Domestication.

(a) A foreign limited liability company may become a limited liability company pursuant to this Section, Sections 37-32, 37-33, and 37-34, and a plan of domestication, if:

(1) the foreign limited liability company's governing statute authorizes the domestication;

(2) the domestication is not prohibited by the law of the jurisdiction that enacted the governing statute; and

(3) the foreign limited liability company complies with its governing statute in effecting the domestication.

(b) A limited liability company may become a foreign limited liability company pursuant to this Section, Sections 37-32, 37-33, and 37-34, and a plan of domestication, if:

(1) the foreign limited liability company's governing statute authorizes the domestication;

(2) the domestication is not prohibited by the law of the jurisdiction that enacted the governing statute; and

(3) the foreign limited liability company complies with its governing statute in effecting the domestication.

(c) A plan of domestication must be in a record and must include:

(1) the name of the domesticating company before domestication and the jurisdiction of its governing statute;

(2) the name of the domesticated company after domestication and the jurisdiction of its governing statute;

(3) the terms and conditions of the domestication, including the manner and basis for converting interests in the domesticating company into any combination of money, interests in the domesticated company, and other consideration; and

(4) the organizational documents of the domesticated company that are, or are proposed to be, in a record.

(805 ILCS 180/37-32 new)

Sec. 37-32. Action on plan of domestication by domesticating limited liability company.

(a) A plan of domestication must be consented to:

(1) by all the members, subject to Section 37-36, if the domesticating company is a limited liability company; and

(2) as provided in the domesticating company's governing statute, if the company is a foreign limited liability company.

(b) Subject to any contractual rights, after a domestication is approved, and at any time before articles of domestication are delivered to the Secretary of State for filing under Section 37-33, a domesticating limited liability company may amend the plan or abandon the domestication:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, by the same consent as was required to approve the plan.

(805 ILCS 180/37-33 new)

Sec. 37-33. Filings required for domestication; effective date.

(a) After a plan of domestication is approved, a domesticating company shall deliver to the Secretary of State for filing articles of domestication, which must include:

(1) a statement, as the case may be, that the company has been domesticated from or into another jurisdiction;

(2) the name of the domesticating company and the jurisdiction of its governing statute;

(3) the name of the domesticated company and the jurisdiction of its governing statute;

(4) the date the domestication is effective under the governing statute of the domesticated company;

(5) if the domesticating company was a limited liability company, a statement that the domestication was approved as required by this Act;

(6) if the domesticating company was a foreign limited liability company, a statement that the domestication was approved as required by the governing statute of the other jurisdiction;

(7) if the domesticated company was a foreign limited liability company not authorized to transact business in this State, the street and mailing addresses of an office that the Secretary of State may use for the purposes of subsection (b) of Section 37-34; and

(8) if the domesticated company was a foreign limited liability company, the company's articles of organization.

(b) A domestication becomes effective:

(1) when the articles of organization take effect, if the domesticated company is a limited liability company; and

(2) according to the governing statute of the domesticated company, if the domesticated organization is a foreign limited liability company.

(805 ILCS 180/37-34 new)

Sec. 37-34. Effect of domestication.

(a) When a domestication takes effect:

(1) the domesticated company is for all purposes the company that existed before the domestication;

(2) all property owned by the domesticating company remains vested in the domesticated company;

(3) all debts, obligations, or other liabilities of the domesticating company continue as debts, obligations, or other liabilities of the domesticated company;

(4) an action or proceeding pending by or against a domesticating company may be continued as if the domestication had not occurred;

(5) except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of the domesticating company remain vested in the domesticated company;

(6) except as otherwise provided in the plan of domestication, the terms and conditions of the plan of domestication take effect; and

(7) except as otherwise agreed, the domestication does not dissolve a domesticating limited liability company for the purposes of Article 35.

(b) A domesticated company that is a foreign limited liability company consents to the jurisdiction of the courts of this State to enforce any debt, obligation, or other liability owed by the domesticating company, if, before the domestication, the domesticating company was subject to suit in this State on the debt, obligation, or other liability. A domesticated company that is a foreign limited liability company and not authorized to transact business in this State appoints the Secretary of State as its agent for service of process for purposes of enforcing a debt, obligation, or other liability under this subsection. Service on the Secretary of State under this subsection must be made in the same manner and has the same consequences as in subsections (b) and (c) of Section 1-50.

(c) If a limited liability company has adopted and approved a plan of domestication under Section 37-32 providing for the company to be domesticated in a foreign jurisdiction, a statement surrendering the company's articles of organization must be delivered to the Secretary of State for filing setting forth:

(1) the name of the company;

(2) a statement that the articles of organization are being surrendered in connection with the domestication of the company in a foreign jurisdiction;

(3) a statement that the domestication was approved as required by this Act; and

(4) the jurisdiction of formation of the domesticated foreign limited liability company.

(805 ILCS 180/37-36 new)

Sec. 37-36. Restrictions on approval of mergers and conversions.

(a) If a member of a merging or converting limited liability company will have personal liability with respect to a surviving or converted organization, approval or amendment of a plan of merger or conversion is ineffective without the consent of the member, unless:

(1) the company's operating agreement provides for approval of a merger or conversion with the consent of fewer than all the members; and

(2) the member has consented to the provision of the operating agreement.

(b) A member does not give the consent required by subsection (a) merely by consenting to a provision of the operating agreement that permits the operating agreement to be amended with the consent of fewer than all the members.

(805 ILCS 180/37-40)

Sec. 37-40. Series of members, managers or limited liability company interests.

(a) An operating agreement may establish or provide for the establishment of designated series of members, managers or limited liability company interests having separate rights, powers or duties with respect to specified property or obligations of the limited liability company or profits and losses associated with specified property or obligations, and to the extent provided in the operating agreement, any such series may have a separate business purpose or investment objective.

(b) Notwithstanding anything to the contrary set forth in this Section or under other applicable law, in the event that an operating agreement creates one or more series, and if separate and distinct records are maintained for any such series and the assets associated with any such series are held (directly or indirectly, including through a nominee or otherwise) and accounted for separately from the other assets of the limited liability company, or any other series thereof, and if the operating agreement so provides, and notice of the limitation on liabilities of a series as referenced in this subsection is set forth in the articles of organization of the limited liability company and if the limited liability company has filed a certificate of designation for each series which is to have limited liability under this Section, then the debts, liabilities and obligation ~~obligations~~ incurred, contracted for or otherwise existing with respect to a particular series shall be enforceable against the assets of such series only, and not against the assets of the limited liability company generally or any other series thereof, and unless otherwise provided in the operating agreement, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof shall be enforceable against the assets of such series. The fact that the articles of organization contain the foregoing notice of the

limitation on liabilities of a series and a certificate of designation for a series is on file in the Office of the Secretary of State shall constitute notice of such limitation on liabilities of a series. A series with limited liability shall be treated as a separate entity to the extent set forth in the articles of organization. Each series with limited liability may, in its own name, contract, hold title to assets, grant security interests, sue and be sued and otherwise conduct business and exercise the powers of a limited liability company under this Act. The limited liability company and any of its series may elect to consolidate their operations as a single taxpayer to the extent permitted under applicable law, elect to work cooperatively, elect to contract jointly or elect to be treated as a single business for purposes of qualification to do business in this or any other state. Such elections shall not affect the limitation of liability set forth in this Section except to the extent that the series have specifically accepted joint liability by contract.

(c) Except in the case of a foreign limited liability company that has adopted an assumed name pursuant to Section 45-15, the name of the series with limited liability must commence with the entire name of the limited liability company, as set forth in its articles of incorporation, and be distinguishable from the names of the other series set forth in the articles of organization. In the case of a foreign limited liability company that has adopted an assumed name pursuant to Section 45-15, the name of the series with limited liability must commence with the entire name, as set forth in the foreign limited liability company's assumed name application, under which the foreign limited liability company has been admitted to transact business in this State.

(d) Upon the filing of the certificate of designation with the Secretary of State setting forth the name of each series with limited liability, the series' existence shall begin, and each of the duplicate copies stamped "Filed" and marked with the filing date shall be conclusive evidence, except as against the State, that all conditions precedent required to be performed have been complied with and that the series has been or shall be legally organized and formed under this Act. If different from the limited liability company, the certificate of designation for each series shall list the name and business address of all ~~names of the members if the series is member managed or the names~~ of the managers and any member having the authority of a ~~if the series is~~ manager ~~managed~~. The name of a series with limited liability under subsection (b) of this Section may be changed by filing with the Secretary of State a certificate of designation identifying the series whose name is being changed and the new name of such series. If not the same as the limited liability company, the name and business address of all ~~names of the members of a member managed series or~~ of the managers and any member having the authority of a manager ~~managed series~~ may be changed by filing a new certificate of designation with the Secretary of State. A series with limited liability under subsection (b) of this Section may be dissolved by filing with the Secretary of State a certificate of designation identifying the series being dissolved or by the dissolution of the limited liability company as provided in subsection (m) of this Section. Certificates of designation may be executed by the limited liability company or any manager, person or entity designated in the operating agreement for the limited liability company.

(e) A series of a limited liability company will be deemed to be in good standing as long as the limited liability company is in good standing.

(f) The registered agent and registered office for the limited liability company in Illinois shall serve as the agent and office for service of process in Illinois for each series.

(g) An operating agreement may provide for classes or groups of members or managers associated with a series having such relative rights, powers and duties as the operating agreement may provide, and may make provision for the future creation of additional classes or groups of members or managers associated with the series having such relative rights, powers and duties as may from time to time be established, including rights, powers and duties senior to existing classes and groups of members or managers associated with the series.

(h) A series may be managed by either the member or members associated with the series or by a manager or managers chosen by the members of such series, as provided in the operating agreement. Unless otherwise provided in an operating agreement, the management of a series shall be vested in the members associated with such series.

(i) An operating agreement may grant to all or certain identified members or managers or a specified class or group of the members or managers associated with a series the right to vote separately or with all or any class or group of the members or managers associated with the series, on any matter. An operating agreement may provide that any member or class or group of members associated with a series shall have no voting rights.

(j) Except to the extent modified in this Section, the provisions of this Act which are generally applicable to limited liability companies, their managers, members and transferees shall be applicable to each particular series with respect to the operation of such series.

(k) Except as otherwise provided in an operating agreement, any event under this Act or in an operating agreement that causes a manager to cease to be a manager with respect to a series shall not, in itself, cause such manager to cease to be a manager of the limited liability company or with respect to any other series thereof.

(l) Except as otherwise provided in an operating agreement, any event under this Act or an operating agreement that causes a member to cease to be associated with a series shall not, in itself, cause such member to cease to be associated with any other series or terminate the continued membership of a member in the limited liability company or cause the termination of the series, regardless of whether such member was the last remaining member associated with such series.

(m) Except to the extent otherwise provided in the operating agreement, a series may be dissolved and its affairs wound up without causing the dissolution of the limited liability company. The dissolution of a series established in accordance with subsection (b) of this Section shall not affect the limitation on liabilities of such series provided by subsection (b) of this Section. A series is terminated and its affairs shall be wound up upon the dissolution of the limited liability company under Article 35 of this Act.

(n) If a limited liability company with the ability to establish series does not register to do business in a foreign jurisdiction for itself and certain of its series, a series of a limited liability company may itself register to do business as a limited liability company in the foreign jurisdiction in accordance with the laws of the foreign jurisdiction.

(o) If a foreign limited liability company, as permitted in the jurisdiction of its organization, has established a series having separate rights, powers or duties and has limited the liabilities of such series so that the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series are enforceable against the assets of such series only, and not against the assets of the limited liability company generally or any other series thereof, or so that the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof are not enforceable against the assets of such series, then the limited liability company, on behalf of itself or any of its series, or any of its series on their own behalf may register to do business in the State in accordance with Section 45-5 of this Act. The limitation of liability shall be so stated on the application for admission as a foreign limited liability company and a certificate of designation shall be filed for each series being registered to do business in the State by the limited liability company. Unless otherwise provided in the operating agreement, the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series of such a foreign limited liability company shall be enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally or any other series thereof and none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such a foreign limited liability company generally or any other series thereof shall be enforceable against the assets of such series.

(Source: P.A. 98-720, eff. 7-16-14.)

(805 ILCS 180/50-1)

Sec. 50-1. Annual reports.

(a) Each limited liability company organized under the laws of this State and each foreign limited liability company admitted to transact business in this State shall file, within the time prescribed by this Act, an annual report setting forth all of the following:

(1) The name of the limited liability company.

(2) The address, including street and number or rural route number, of its registered office in this State and the name of its registered agent at that address.

(3) The address, including street and number or rural route number of its principal place of business.

(4) The name ~~names~~ and business address ~~addresses~~ of all of the ~~its~~ managers and any member having the authority of a manager ~~or, if none, the members~~.

(5) Additional information that may be necessary or appropriate in order to enable the Secretary of State to administer this Act and to verify the proper amount of fees payable by the limited liability company.

(6) The annual report shall be made on forms prescribed and furnished by the Secretary of State, and the information therein, required by paragraphs (1) through (4) of subsection (a), both inclusive, shall be given as of the date of execution of the annual report. The annual report shall be executed by a manager or, if none, a member designated by the members pursuant to limited liability company action properly taken under Section 15-1.

(b) The annual report, together with all fees and charges prescribed by this Act, shall be delivered to the Secretary of State within 60 days immediately preceding the first day of the anniversary month. Proof to

the satisfaction of the Secretary of State that, before the first day of the anniversary month of the limited liability company, the report, together with all fees and charges as prescribed by this Act, was deposited in the United States mail in a sealed envelope, properly addressed, with postage prepaid, shall be deemed a compliance with this requirement. If the Secretary of State finds that the report conforms to the requirements of this Act, he or she shall file it. If the Secretary of State finds that it does not so conform, he or she shall promptly return it to the limited liability company for any necessary corrections, in which event the penalties prescribed for failure to file the report within the time provided shall not apply if the report is corrected to conform to the requirements of this Act and returned to the Secretary of State within 60 days of the original due date of the report.

(Source: P.A. 90-424, eff. 1-1-98; 91-354, eff. 1-1-00.)

(805 ILCS 180/50-10)

Sec. 50-10. Fees.

(a) The Secretary of State shall charge and collect in accordance with the provisions of this Act and rules promulgated under its authority all of the following:

(1) Fees for filing documents.

(2) Miscellaneous charges.

(3) Fees for the sale of lists of filings and for copies of any documents.

(b) The Secretary of State shall charge and collect for all of the following:

(1) Filing articles of organization (domestic), application for admission (foreign), and restated articles of organization (domestic), $500. Notwithstanding the foregoing, the fee for filing articles of organization (domestic), application for admission (foreign), and restated articles of organization (domestic) in connection with a limited liability company with a ~~ability to establish~~ series pursuant to Section 37-40 of this Act is $750.

(2) Filing amendments (domestic or foreign) ~~articles of amendment or an amended application for admission~~, $150.

(3) Filing articles of dissolution or application for withdrawal, $25 ~~$100~~.

(4) Filing an application to reserve a name, $300.

(5) Renewal fee for ~~Filing a notice of cancellation of~~ a reserved name, $100.

(6) Filing a notice of a transfer of a reserved name, $100.

(7) Registration of a name, $300.

(8) Renewal of registration of a name, $100.

(9) Filing an application for use of an assumed name under Section 1-20 of this Act, $150 for each year or part thereof ending in 0 or 5, $120 for each year or part thereof ending in 1 or 6, $90 for each year or part thereof ending in 2 or 7, $60 for each year or part thereof ending in 3 or 8, $30 for each year or part thereof ending in 4 or 9, and a renewal for each assumed name, $150.

(10) Filing an application for change ~~or cancellation~~ of an assumed name, $100.

(11) Filing an annual report of a limited liability company or foreign limited liability company, $250, if filed as required by this Act, plus a penalty if delinquent. Notwithstanding the foregoing, the fee for filing an annual report of a limited liability company or foreign limited liability company ~~with ability to establish series~~ is $250 plus $50 for each series for which a certificate of designation has been filed pursuant to Section 37-40 of this Act ~~and active on the last day of the third month preceding the company's anniversary month~~, plus a penalty if delinquent.

(12) Filing an application for reinstatement of a limited liability company or foreign limited liability company $500.

(13) Filing articles ~~Articles~~ of merger ~~Merger~~, $100 plus $50 for each party to the merger in excess of the first 2 parties.

(14) Filing articles of conversion ~~an Agreement of Conversion or Statement of Conversion~~, $100.

(15) Filing a statement of change of address of registered office or change of registered agent, or both, or filing a statement of correction, $25.

(16) Filing a petition for refund, $15.

(17) Filing a certificate of designation of a limited liability company with a series pursuant to Section 37-40 of this Act, $50.

(18) Filing articles of domestication, $100.

(19) Filing, amending, or cancelling a statement of authority, $50.

(20) Filing, amending, or cancelling a statement of denial, $10.

(21) ~~(17)~~ Filing any other document, $100.

~~(18) Filing a certificate of designation of a limited liability company with the ability to establish series pursuant to Section 37-40 of this Act, $50.~~

(c) The Secretary of State shall charge and collect all of the following:

(1) For furnishing a copy or certified copy of any document, instrument, or paper relating to a limited liability company or foreign limited liability company, or for a certificate, $25.

(2) For the transfer of information by computer process media to any purchaser, fees established by rule.

(Source: P.A. 97-839, eff. 7-20-12.)

(805 ILCS 180/55-1)

Sec. 55-1. Construction and application.

(a) This Act shall be so applied and construed to effectuate its general purpose.

(b) Subject to subsection (b) of Section 15-5, it is the policy of this Act to give maximum effect to the principles of freedom of contract and to the enforceability of operating agreements.

(c) Rules that statutes in derogation of the common law are to be strictly construed shall have no application to this Act.

(d) Unless the context otherwise requires, as used in this Act, the singular shall include the plural and the plural shall include the singular. The use of any gender shall be applicable to all genders. The captions contained in this Act are for purposes of convenience only and shall not control or affect the construction of this Act.

(Source: P.A. 87-1062.)

(805 ILCS 180/55-3 new)

Sec. 55-3. Relation to Electronic Signatures in Global and National Commerce Act. This Act modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001 et seq., but does not modify, limit, or supersede Section 101(c) of that Act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that Act, 15 U.S.C. Section 7003(b).

(805 ILCS 180/30-1 rep.) (805 ILCS 180/35-60 rep.) (805 ILCS 180/35-65 rep.) (805 ILCS 180/35-70 rep.)

Section 10. The Limited Liability Company Act is amended by repealing Sections 30-1, 35-60, 35-65, and 35-70.".

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

On motion of Senator Manar, **Senate Bill No. 220** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 220**

AMENDMENT NO. 1. Amend Senate Bill 220 by replacing everything after the enacting clause with the following:

"Section 5. The Personnel Code is amended by changing Section 4d as follows:

(20 ILCS 415/4d) (from Ch. 127, par. 63b104d)

Sec. 4d. Partial exemptions. The following positions in State service are exempt from jurisdictions A, B, and C to the extent stated for each, unless those jurisdictions are extended as provided in this Act:

(1) In each department, board or commission that now maintains or may hereafter maintain a major administrative division, service or office in both Sangamon County and Cook County, 2 private secretaries for the director or chairman thereof, one located in the Cook County office and the other located in the Sangamon County office, shall be exempt from jurisdiction B; in all other departments, boards and commissions one private secretary for the director or chairman thereof shall be exempt from jurisdiction B. In all departments, boards and commissions one confidential assistant for the director or chairman thereof shall be exempt from jurisdiction B. This paragraph is subject to such modifications or waiver of the exemptions as may be necessary to assure the continuity of federal contributions in those agencies supported in whole or in part by federal funds.

(2) The resident administrative head of each State charitable, penal and correctional institution, the chaplains thereof, and all member, patient and inmate employees are exempt from jurisdiction B.

(3) The Civil Service Commission, upon written recommendation of the Director of Central

Management Services, shall exempt from jurisdiction B other positions which, in the judgment of the Commission, involve either principal administrative responsibility for the determination of policy or principal administrative responsibility for the way in which policies are carried out, except positions in agencies which receive federal funds if such exemption is inconsistent with federal requirements, and except positions in agencies supported in whole by federal funds.

(4) All beauticians and teachers of beauty culture and teachers of barbering, and all positions heretofore paid under Section 1.22 of "An Act to standardize position titles and salary rates", approved June 30, 1943, as amended, shall be exempt from jurisdiction B.

(5) Licensed attorneys in positions as legal or technical advisors, positions in the Department of Natural Resources requiring incumbents to be either a registered professional engineer or to hold a bachelor's degree in engineering from a recognized college or university, licensed physicians in positions of medical administrator or physician or physician specialist (including psychiatrists), all positions within the Department of Juvenile Justice, the Illinois School for the Deaf, and the Illinois School for the Visually Impaired requiring licensure by the State Board of Education under Article 21B of the School Code, and registered nurses (except those registered nurses employed by the Department of Public Health), except those in positions in agencies which receive federal funds if such exemption is inconsistent with federal requirements and except those in positions in agencies supported in whole by federal funds, are exempt from jurisdiction B only to the extent that the requirements of Section 8b.1, 8b.3 and 8b.5 of this Code need not be met.

(6) All positions established outside the geographical limits of the State of Illinois to which appointments of other than Illinois citizens may be made are exempt from jurisdiction B.

(7) Staff attorneys reporting directly to individual Commissioners of the Illinois Workers' Compensation Commission are exempt from jurisdiction B.

(8) Twenty-one senior public service administrator positions within the Department of Healthcare and Family Services, as set forth in this paragraph (8), requiring the specific knowledge of healthcare administration, healthcare finance, healthcare data analytics, or information technology described are exempt from jurisdiction B only to the extent that the requirements of Sections 8b.1, 8b.3, and 8b.5 of this Code need not be met. The General Assembly finds that these positions are all senior policy makers and have spokesperson authority for the Director of the Department of Healthcare and Family Services. When filling positions so designated, the Director of Healthcare and Family Services shall cause a position description to be published which allots points to various qualifications desired. After scoring qualified applications, the Director shall add Veteran's Preference points as enumerated in Section 8b.7 of this Code. The following are the minimum qualifications for the senior public service administrator positions provided for in this paragraph (8):

(A) HEALTHCARE ADMINISTRATION.

Medical Director: Licensed Medical Doctor in good standing; experience in healthcare payment systems, pay for performance initiatives, medical necessity criteria or federal or State quality improvement programs; preferred experience serving Medicaid patients or experience in population health programs with a large provider, health insurer, government agency, or research institution.

Chief, Bureau of Quality Management: Advanced degree in health policy or health professional field preferred; at least 3 years experience in implementing or managing healthcare quality improvement initiatives in a clinical setting.

Quality Management Bureau: Manager, Care Coordination/Managed Care Quality: Clinical degree or advanced degree in relevant field required; experience in the field of managed care quality improvement, with knowledge of HEDIS measurements, coding, and related data definitions.

Quality Management Bureau: Manager, Primary Care Provider Quality and Practice Development: Clinical degree or advanced degree in relevant field required; experience in practice administration in the primary care setting with a provider or a provider association or an accrediting body; knowledge of practice standards for medical homes and best evidence based standards of care for primary care.

Director of Care Coordination Contracts and Compliance: Bachelor's degree required; multi-year experience in negotiating managed care contracts, preferably on behalf of a payer; experience with health care contract compliance.

Manager, Long Term Care Policy: Bachelor's degree required; social work, gerontology, or social service degree preferred; knowledge of Olmstead and other relevant court decisions required; experience working with diverse long term care populations and service systems, federal initiatives to create long term care community options, and home and community-

based waiver services required. The General Assembly finds that this position is necessary for the timely and effective implementation of this amendatory Act of the 97th General Assembly.

Manager, Behavioral Health Programs: Clinical license or Advanced degree required, preferably in psychology, social work, or relevant field; knowledge of medical necessity criteria and governmental policies and regulations governing the provision of mental health services to Medicaid populations, including children and adults, in community and institutional settings of care. The General Assembly finds that this position is necessary for the timely and effective implementation of this amendatory Act of the 97th General Assembly.

Manager, Office of Accountable Care Entity Development: Bachelor's degree required, clinical degree or advanced degree in relevant field preferred; experience in developing integrated delivery systems, including knowledge of health homes and evidence-based standards of care delivery; multi-year experience in health care or public health management; knowledge of federal ACO or other similar delivery system requirements and strategies for improving health care delivery.

Manager of Federal Regulatory Compliance: Bachelor's degree required, advanced degree preferred, in healthcare management or relevant field; experience in healthcare administration or Medicaid State Plan amendments preferred; experience interpreting federal rules; experience with either federal health care agency or with a State agency in working with federal regulations.

Manager, Office of Medical Project Management: Bachelor's degree required, project management certification preferred; multi-year experience in project management and developing business analyst skills; leadership skills to manage multiple and complex projects.

Manager of Medicare/Medicaid Coordination: Bachelor's degree required, knowledge and experience with Medicare Advantage rules and regulations, knowledge of Medicaid laws and policies; experience with contract drafting preferred.

Chief, Bureau of Eligibility Integrity: Bachelor's degree required, advanced degree in public administration or business administration preferred; experience equivalent to 4 years of administration in a public or business organization required; experience with managing contract compliance required; knowledge of Medicaid eligibility laws and policy preferred; supervisory experience preferred. The General Assembly finds that this position is necessary for the timely and effective implementation of this amendatory Act of the 97th General Assembly.

(B) HEALTHCARE FINANCE.

Director of Care Coordination Rate and Finance: MBA, CPA, or Actuarial degree required; experience in managed care rate setting, including, but not limited to, baseline costs and growth trends; knowledge and experience with Medical Loss Ratio standards and measurements.

Director of Encounter Data Program: Bachelor's degree required, advanced degree preferred, preferably in health care, business, or information systems; at least 2 years healthcare or other similar data reporting experience, including, but not limited to, data definitions, submission, and editing; background in HIPAA transactions relevant to encounter data submission; experience with large provider, health insurer, government agency, or research institution or other knowledge of healthcare claims systems.

Manager of Medical Finance, Division of Finance: Requires relevant advanced degree or certification in relevant field, such as Certified Public Accountant; coursework in business or public administration, accounting, finance, data analysis, or statistics preferred; experience in control systems and GAAP; financial management experience in a healthcare or government entity utilizing Medicaid funding.

(C) HEALTHCARE DATA ANALYTICS.

Data Quality Assurance Manager: Bachelor's degree required, advanced degree preferred, preferably in business, information systems, or epidemiology; at least 3 years of extensive healthcare data reporting experience with a large provider, health insurer, government agency, or research institution; previous data quality assurance role or formal data quality assurance training.

Data Analytics Unit Manager: Bachelor's degree required, advanced degree preferred, in information systems, applied mathematics, or another field with a strong analytics component; extensive healthcare data reporting experience with a large provider, health insurer, government agency, or research institution; experience as a business analyst interfacing between business and information technology departments; in-depth knowledge of health insurance coding and evolving healthcare quality metrics; working knowledge of SQL and/or SAS.

Data Analytics Platform Manager: Bachelor's degree required, advanced degree

preferred, preferably in business or information systems; extensive healthcare data reporting experience with a large provider, health insurer, government agency, or research institution; previous experience working on a health insurance data analytics platform; experience managing contracts and vendors preferred.

(D) HEALTHCARE INFORMATION TECHNOLOGY.

Manager of MMIS Claims Unit: Bachelor's degree required, with preferred coursework in business, public administration, information systems; experience equivalent to 4 years of administration in a public or business organization; working knowledge with design and implementation of technical solutions to medical claims payment systems; extensive technical writing experience, including, but not limited to, the development of RFPs, APDs, feasibility studies, and related documents; thorough knowledge of IT system design, commercial off the shelf software packages and hardware components.

Assistant Bureau Chief, Office of Information Systems: Bachelor's degree required, with preferred coursework in business, public administration, information systems; experience equivalent to 5 years of administration in a public or private business organization; extensive technical writing experience, including, but not limited to, the development of RFPs, APDs, feasibility studies and related documents; extensive healthcare technology experience with a large provider, health insurer, government agency, or research institution; experience as a business analyst interfacing between business and information technology departments; thorough knowledge of IT system design, commercial off the shelf software packages and hardware components.

Technical System Architect: Bachelor's degree required, with preferred coursework in computer science or information technology; prior experience equivalent to 5 years of computer science or IT administration in a public or business organization; extensive healthcare technology experience with a large provider, health insurer, government agency, or research institution; experience as a business analyst interfacing between business and information technology departments.

The provisions of this paragraph (8), other than this sentence, are inoperative after January 1, 2014.

(Source: P.A. 97-649, eff. 12-30-11; 97-689, eff. 6-14-12; 98-104, eff. 7-22-13; 98-1146, eff. 12-30-14.)".

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

On motion of Senator Sullivan, **Senate Bill No. 563** having been printed, was taken up, read by title a second time.

The following amendment was offered in the Committee on State Government and Veterans Affairs, adopted and ordered printed:

**AMENDMENT NO. 1 TO SENATE BILL 563**

AMENDMENT NO. 1. Amend Senate Bill 563 by replacing everything after the enacting clause with the following:

"Section 5. The Department of Veterans Affairs Act is amended by changing Sections 1.2, 2, 2.01, 2.04, and 3 and adding Section 2.12 as follows:

(20 ILCS 2805/1.2)

Sec. 1.2. Division of Women Veterans Affairs. Subject to appropriations for this purpose, the Division of Women Veterans Affairs is created as a Division within the Department. ~~The head of the Division shall serve as an Assistant Director of Veterans' Affairs.~~ The Division shall serve as an advocate for women veterans, in recognition of the unique issues facing women veterans. The Division shall assess the needs of women veterans with respect to issues including, but not limited to, compensation, rehabilitation, outreach, health care, and issues facing women veterans in the community. The Division shall review the Department's programs, activities, research projects, and other initiatives designed to meet the needs of women veterans and shall make recommendations to the Director of Veterans' Affairs concerning ways to improve, modify, and effect change in programs and services for women veterans.

(Source: P.A. 96-94, eff. 7-27-09; 97-297, eff. 1-1-12.)

(20 ILCS 2805/2) (from Ch. 126 1/2, par. 67)

Sec. 2. Powers and duties. The Department shall have the following powers and duties:

To perform such acts at the request of any veteran, or his or her spouse, surviving spouse or dependents as shall be reasonably necessary or reasonably incident to obtaining or endeavoring to obtain for the requester any advantage, benefit or emolument accruing or due to such person under any law of the United States, the State of Illinois or any other state or governmental agency by reason of the service of such veteran, and in pursuance thereof shall:

(1) Contact veterans, their survivors and dependents and advise them of the benefits of state and federal laws and assist them in obtaining such benefits;

(2) Establish field offices and direct the activities of the personnel assigned to such offices;

(3) Create and maintain a volunteer field force. The volunteer field force may include representatives from the following without limitation: ~~of accredited representatives, representing~~ educational institutions, labor organizations, veterans organizations, employers, churches, and farm organizations;

(4) Conduct informational and training services;

(5) Conduct educational programs through newspapers, periodicals, social media, television, and radio for the specific purpose of disseminating information affecting veterans and their dependents;

(6) Coordinate the services and activities of all state departments having services and resources affecting veterans and their dependents;

(7) Encourage and assist in the coordination of agencies within counties giving service to veterans and their dependents;

(8) Cooperate with veterans organizations and other governmental agencies;

(9) Make, alter, amend and promulgate reasonable rules and procedures for the administration of this Act;

(10) Make and publish annual reports to the Governor regarding the administration and general operation of the Department;

(11) (Blank); and

(12) (Blank).

The Department may accept and hold on behalf of the State, if for the public interest, a grant, gift, devise or bequest of money or property to the Department made for the general benefit of Illinois veterans, including the conduct of informational and training services by the Department and other authorized purposes of the Department. The Department shall cause each grant, gift, devise or bequest to be kept as a distinct fund and shall invest such funds in the manner provided by the Public Funds Investment Act, as now or hereafter amended, and shall make such reports as may be required by the Comptroller concerning what funds are so held and the manner in which such funds are invested. The Department may make grants from these funds for the general benefit of Illinois veterans. Grants from these funds, except for the funds established under Sections 2.01a and 2.03, shall be subject to appropriation.

The Department has the power to make grants, from funds appropriated from the Korean War Veterans National Museum and Library Fund, to private organizations for the benefit of the Korean War Veterans National Museum and Library.

The Department has the power to make grants, from funds appropriated from the Illinois Military Family Relief Fund, for benefits authorized under the Survivors Compensation Act.

(Source: P.A. 97-297, eff. 1-1-12; 97-765, eff. 7-6-12.)

(20 ILCS 2805/2.01) (from Ch. 126 1/2, par. 67.01)

Sec. 2.01. Veterans Home admissions.

(a) Any honorably discharged veteran is entitled to admission to an Illinois Veterans Home if the applicant meets the requirements of this Section.

(b) The veteran must:

(1) have served in the armed forces of the United States at least 1 day in World War II, the Korean Conflict, the Viet Nam Campaign, or the Persian Gulf Conflict between the dates recognized by the U.S. Department of Veterans Affairs or between any other present or future dates recognized by the U.S. Department of Veterans Affairs as a war period, or have served in a hostile fire environment and has been awarded a campaign or expeditionary medal signifying his or her service, for purposes of eligibility for domiciliary or nursing home care;

(2) have served and been honorably discharged or retired from the armed forces of the United States for a service connected disability or injury, for purposes of eligibility for domiciliary or nursing home care;

(3) have served as an enlisted person at least 90 days on active duty in the armed

forces of the United States, excluding service on active duty for training purposes only, and entered active duty before September 8, 1980, for purposes of eligibility for domiciliary or nursing home care;

(4) have served as an officer at least 90 days on active duty in the armed forces of the United States, excluding service on active duty for training purposes only, and entered active duty before October 17, 1981, for purposes of eligibility for domiciliary or nursing home care;

(5) have served on active duty in the armed forces of the United States for 24 months of continuous service or more, excluding active duty for training purposes only, and enlisted after September 7, 1980, for purposes of eligibility for domiciliary or nursing home care;

(6) have served as a reservist in the armed forces of the United States or the National Guard and the service included being called to federal active duty, excluding service on active duty for training purposes only, and who completed the term, for purposes of eligibility for domiciliary or nursing home care;

(7) have been discharged for reasons of hardship or released from active duty due to a reduction in the United States armed forces prior to the completion of the required period of service, regardless of the actual time served, for purposes of eligibility for domiciliary or nursing home care; or

(8) have served in the National Guard or Reserve Forces of the United States and completed 20 years of satisfactory service, be otherwise eligible to receive reserve or active duty retirement benefits, and have been an Illinois resident for at least one year before applying for admission for purposes of eligibility for domiciliary care only.

(c) The veteran must have service accredited to the State of Illinois or have been a resident of this State for one year immediately preceding the date of application.

(d) For admission to the Illinois Veterans Homes at Anna and Quincy, the veteran must be disabled by disease, wounds, or otherwise and because of the disability be incapable of earning a living.

(e) For admission to the Illinois Veterans Homes at LaSalle and Manteno, the veteran must be disabled by disease, wounds, or otherwise and, for purposes of eligibility for nursing home care, require nursing care because of the disability.

(f) An individual who served during a time of conflict as set forth in subsection (a)(1) of this Section has preference over all other qualifying candidates, for purposes of eligibility for domiciliary or nursing home care at any Illinois Veterans Home.

(g) A veteran or spouse, once admitted to an Illinois Veterans Home facility, is considered a resident for interfacility purposes.

(Source: P.A. 97-297, eff. 1-1-12.)

(20 ILCS 2805/2.04) (from Ch. 126 1/2, par. 67.04)

Sec. 2.04. There shall be established in the State Treasury special funds known as (i) the LaSalle Veterans Home Fund, (ii) the Anna Veterans Home Fund, (iii) the Manteno Veterans Home Fund, and (iv) the Quincy Veterans Home Fund. All moneys received by an Illinois Veterans Home from Medicare and from maintenance charges to veterans, spouses, and surviving spouses residing at that Home shall be paid into that Home's Fund. All moneys received from the U.S. Department of Veterans Affairs for patient care shall be transmitted to the Treasurer of the State for deposit in the Veterans Home Fund for the Home in which the veteran resides. Appropriations shall be made from a Fund only for the needs of the Home, including capital improvements, building rehabilitation, and repairs.

The administrator of each Veterans Home shall establish a locally-held member's benefits fund. The Director may authorize the Veterans Home to conduct limited fundraising in accordance with applicable laws and regulations for which the sole purpose is to benefit the Veterans Home's member's benefits fund. Revenues accruing to an Illinois Veterans Home, including any donations, grants for the operation of the Home, profits from commissary stores, and funds received from any individual or other source, including limited fundraising, shall be deposited into that Home's benefits fund. Expenditures from the benefits funds shall be solely for the special comfort, pleasure, and amusement of residents. Contributors of unsolicited private donations may specify the purpose for which the private donations are to be used.

Upon request of the Department, the State's Attorney of the county in which a resident or living former resident of an Illinois Veterans Home who is liable under this Act for payment of sums representing maintenance charges resides shall file an action in a court of competent jurisdiction against any such person who fails or refuses to pay such sums. The court may order the payment of sums due to maintenance charges for such period or periods of time as the circumstances require.

Upon the death of a person who is or has been a resident of an Illinois Veterans Home who is liable for maintenance charges and who is possessed of property, the Department may present a claim for such sum or for the balance due in case less than the rate prescribed under this Act has been paid. The claim shall be allowed and paid as other lawful claims against the estate.

The administrator of each Veterans Home shall establish a locally-held trust fund to maintain moneys held for residents. Whenever the Department finds it necessary to preserve order, preserve health, or enforce discipline, the resident shall deposit in a trust account at the Home such monies from any source of income as may be determined necessary, and disbursement of these funds to the resident shall be made only by direction of the administrator.

If a resident of an Illinois Veterans Home has a dependent child, spouse, or parent the administrator may require that all monies received be deposited in a trust account with dependency contributions being made at the direction of the administrator. The balance retained in the trust account shall be disbursed to the resident at the time of discharge from the Home or to his or her heirs or legal representative at the time of the resident's death, subject to Department regulations or order of the court.

The Director of Central Management Services, with the consent of the Director of Veterans' Affairs, is authorized and empowered to lease or let any real property held by the Department of Veterans' Affairs for an Illinois Veterans Home to entities or persons upon terms and conditions which are considered to be in the best interest of that Home. The real property must not be needed for any direct or immediate purpose of the Home. In any leasing or letting, primary consideration shall be given to the use of real property for agricultural purposes, and all moneys received shall be transmitted to the Treasurer of the State for deposit in the appropriate Veterans Home Fund.

(Source: P.A. 97-297, eff. 1-1-12.)

(20 ILCS 2805/2.12 new)

Sec. 2.12. Cemeteries. The Department may operate cemeteries at the Manteno Veterans Home and the Quincy Veterans Home for interment of veterans or their spouses as identified by the Department.

(20 ILCS 2805/3) (from Ch. 126 1/2, par. 68)

Sec. 3. The Department shall:

1. establish ~~Establish~~ an administrative office in Springfield and a branch thereof in Chicago;

2. establish ~~Establish~~ such field offices as it shall find necessary to enable it to perform its duties; and

3. maintain ~~Cause to be maintained, at its various offices,~~ case files containing records of services rendered to each applicant, service progress ~~cards~~, and a follow-up system to facilitate the completion of each request.

(Source: P.A. 79-376.)

Section 10. The Nursing Home Care Act is amended by changing Sections 2-201.5, 3-101.5, and 3-303 and adding Section 3-202.6 as follows:

(210 ILCS 45/2-201.5)

Sec. 2-201.5. Screening prior to admission.

(a) All persons age 18 or older seeking admission to a nursing facility must be screened to determine the need for nursing facility services prior to being admitted, regardless of income, assets, or funding source. Screening for nursing facility services shall be administered through procedures established by administrative rule. Screening may be done by agencies other than the Department as established by administrative rule. This Section applies on and after July 1, 1996. No later than October 1, 2010, the Department of Healthcare and Family Services, in collaboration with the Department on Aging, the Department of Human Services, and the Department of Public Health, shall file administrative rules providing for the gathering, during the screening process, of information relevant to determining each person's potential for placing other residents, employees, and visitors at risk of harm.

(a-1) Any screening performed pursuant to subsection (a) of this Section shall include a determination of whether any person is being considered for admission to a nursing facility due to a need for mental health services. For a person who needs mental health services, the screening shall also include an evaluation of whether there is permanent supportive housing, or an array of community mental health services, including but not limited to supported housing, assertive community treatment, and peer support services, that would enable the person to live in the community. The person shall be told about the existence of any such services that would enable the person to live safely and humanely and about available appropriate nursing home services that would enable the person to live safely and humanely, and the person shall be given the assistance necessary to avail himself or herself of any available services.

(a-2) Pre-screening for persons with a serious mental illness shall be performed by a psychiatrist, a psychologist, a registered nurse certified in psychiatric nursing, a licensed clinical professional counselor, or a licensed clinical social worker, who is competent to (i) perform a clinical assessment of the individual, (ii) certify a diagnosis, (iii) make a determination about the individual's current need for treatment, including substance abuse treatment, and recommend specific treatment, and (iv) determine whether a facility or a community-based program is able to meet the needs of the individual.

For any person entering a nursing facility, the pre-screening agent shall make specific recommendations about what care and services the individual needs to receive, beginning at admission, to attain or maintain the individual's highest level of independent functioning and to live in the most integrated setting appropriate for his or her physical and personal care and developmental and mental health needs. These recommendations shall be revised as appropriate by the pre-screening or re-screening agent based on the results of resident review and in response to changes in the resident's wishes, needs, and interest in transition.

Upon the person entering the nursing facility, the Department of Human Services or its designee shall assist the person in establishing a relationship with a community mental health agency or other appropriate agencies in order to (i) promote the person's transition to independent living and (ii) support the person's progress in meeting individual goals.

(a-3) The Department of Human Services, by rule, shall provide for a prohibition on conflicts of interest for pre-admission screeners. The rule shall provide for waiver of those conflicts by the Department of Human Services if the Department of Human Services determines that a scarcity of qualified pre-admission screeners exists in a given community and that, absent a waiver of conflicts, an insufficient number of pre-admission screeners would be available. If a conflict is waived, the pre-admission screener shall disclose the conflict of interest to the screened individual in the manner provided for by rule of the Department of Human Services. For the purposes of this subsection, a "conflict of interest" includes, but is not limited to, the existence of a professional or financial relationship between (i) a PAS-MH corporate or a PAS-MH agent and (ii) a community provider or long-term care facility.

(b) In addition to the screening required by subsection (a), a facility, except for those licensed as long term care for under age 22 facilities, shall, within 24 hours after admission, request a criminal history background check pursuant to the Uniform Conviction Information Act for all persons age 18 or older seeking admission to the facility, unless a background check was initiated by a hospital pursuant to subsection (d) of Section 6.09 of the Hospital Licensing Act or a pre-admission background check was conducted by the Department of Veterans' Affairs 30 days prior to admittance into an Illinois Veterans Home. Background checks conducted pursuant to this Section shall be based on the resident's name, date of birth, and other identifiers as required by the Department of State Police. If the results of the background check are inconclusive, the facility shall initiate a fingerprint-based check, unless the fingerprint check is waived by the Director of Public Health based on verification by the facility that the resident is completely immobile or that the resident meets other criteria related to the resident's health or lack of potential risk which may be established by Departmental rule. A waiver issued pursuant to this Section shall be valid only while the resident is immobile or while the criteria supporting the waiver exist. The facility shall provide for or arrange for any required fingerprint-based checks to be taken on the premises of the facility. If a fingerprint-based check is required, the facility shall arrange for it to be conducted in a manner that is respectful of the resident's dignity and that minimizes any emotional or physical hardship to the resident.

(c) If the results of a resident's criminal history background check reveal that the resident is an identified offender as defined in Section 1-114.01, the facility shall do the following:

(1) Immediately notify the Department of State Police, in the form and manner required by the Department of State Police, in collaboration with the Department of Public Health, that the resident is an identified offender.

(2) Within 72 hours, arrange for a fingerprint-based criminal history record inquiry to be requested on the identified offender resident. The inquiry shall be based on the subject's name, sex, race, date of birth, fingerprint images, and other identifiers required by the Department of State Police. The inquiry shall be processed through the files of the Department of State Police and the Federal Bureau of Investigation to locate any criminal history record information that may exist regarding the subject. The Federal Bureau of Investigation shall furnish to the Department of State Police, pursuant to an inquiry under this paragraph (2), any criminal history record information contained in its files.

The facility shall comply with all applicable provisions contained in the Uniform Conviction Information Act.

All name-based and fingerprint-based criminal history record inquiries shall be submitted to the Department of State Police electronically in the form and manner prescribed by the Department of State Police. The Department of State Police may charge the facility a fee for processing name-based and fingerprint-based criminal history record inquiries. The fee shall be deposited into the State Police Services Fund. The fee shall not exceed the actual cost of processing the inquiry.

(d) (Blank).

(e) The Department shall develop and maintain a de-identified database of residents who have injured facility staff, facility visitors, or other residents, and the attendant circumstances, solely for the purposes of evaluating and improving resident pre-screening and assessment procedures (including the Criminal

History Report prepared under Section 2-201.6) and the adequacy of Department requirements concerning the provision of care and services to residents. A resident shall not be listed in the database until a Department survey confirms the accuracy of the listing. The names of persons listed in the database and information that would allow them to be individually identified shall not be made public. Neither the Department nor any other agency of State government may use information in the database to take any action against any individual, licensee, or other entity, unless the Department or agency receives the information independent of this subsection (e). All information collected, maintained, or developed under the authority of this subsection (e) for the purposes of the database maintained under this subsection (e) shall be treated in the same manner as information that is subject to Part 21 of Article VIII of the Code of Civil Procedure.

(Source: P.A. 96-1372, eff. 7-29-10; 97-48, eff. 6-28-11.)

(210 ILCS 45/3-101.5)

Sec. 3-101.5. Illinois Veterans Homes. An Illinois Veterans Home licensed under this Act and operated by the Illinois Department of Veterans' Affairs is exempt from the license fee provisions of Section 3-103 of this Act and the provisions of Sections 3-104 through 3-106, 3-202.5, 3-208, 3-302, and ~~3-303, 3-401 through 3-423,~~ 3-503 through 3-517~~, and 3-603 through 3-607~~ of this Act. A monitor or receiver shall be placed in an Illinois Veterans Home only by court order or by agreement between the Director of Public Health, the Director of Veterans' Affairs, and the Secretary of the United States Department of Veterans Affairs.

(Source: P.A. 96-703, eff. 8-25-09.)

(210 ILCS 45/3-202.6 new)

Sec. 3-202.6. Department of Veterans' Affairs facility plan review.

(a) Before commencing construction of a new facility or specified types of alteration or additions to an existing long-term care facility involving major construction, as defined by rule by the Department, with an estimated cost greater than $100,000, architectural drawings and specifications for the facility shall be submitted to the Department for review. A facility may submit architectural drawings and specifications for other construction projects for Department review according to subsection (b) of this Section that shall not be subject to fees under subsection (d) of this Section. Review of drawings and specifications shall be conducted by an employee of the Department meeting the qualifications established by the Department of Central Management Services class specifications for such an individual's position or by a person contracting with the Department who meets those class specifications.

(b) The Department shall inform an applicant in writing within 10 working days after receiving drawings and specifications from the applicant whether the applicant's submission is complete or incomplete. Failure to provide the applicant with this notice within 10 working days after receiving drawings and specifications from the applicant shall result in the submission being deemed complete for purposes of initiating the 60-day review period under this Section. If the submission is incomplete, the Department shall inform the applicant of the deficiencies with the submission in writing. If the submission is complete, the Department shall approve or disapprove drawings and specifications submitted to the Department no later than 60 days following receipt by the Department. The drawings and specifications shall be of sufficient detail, as provided by Department rule, to enable the Department to render a determination of compliance with design and construction standards under this Act. If the Department finds that the drawings are not of sufficient detail for it to render a determination of compliance, the plans shall be determined to be incomplete and shall not be considered for purposes of initiating the 60-day review period. If a submission of drawings and specifications is incomplete, the applicant may submit additional information. The 60-day review period shall not commence until the Department determines that a submission of drawings and specifications is complete or the submission is deemed complete. If the Department has not approved or disapproved the drawings and specifications within 60 days after receipt by the Department, the construction, major alteration, or addition shall be deemed approved. If the drawings and specifications are disapproved, the Department shall state in writing, with specificity, the reasons for the disapproval. The entity submitting the drawings and specifications may submit additional information in response to the written comments from the Department or request a reconsideration of the disapproval. A final decision of approval or disapproval shall be made within 45 days after the receipt of the additional information or reconsideration request. If denied, the Department shall state the specific reasons for the denial.

(c) The Department shall provide written approval for occupancy pursuant to subsection (e) of this Section and shall not issue a violation to a facility as a result of a licensure or complaint survey based upon the facility's physical structure if:

(1) the Department reviewed and approved or is deemed to have approved the drawings and specifications for compliance with design and construction standards;

(2) the construction, major alteration, or addition was built as submitted;

(3) the law or rules have not been amended since the original approval; and

(4) the conditions at the facility indicate that there is a reasonable degree of safety provided for the residents.

(d) The Department shall not charge a fee in connection with its reviews to the Department of Veterans' Affairs.

(e) The Department shall conduct an on-site inspection of the completed project no later than 30 days after notification from the applicant that the project has been completed and all certifications required by the Department have been received and accepted by the Department. The Department shall provide written approval for occupancy to the applicant within 5 working days after the Department's final inspection, provided the applicant has demonstrated substantial compliance as defined by Department rule. Occupancy of new major construction is prohibited until Department approval is received, unless the Department has not acted within the time frames provided in this subsection (e), in which case the construction shall be deemed approved. Occupancy shall be authorized after any required health inspection by the Department has been conducted.

(f) The Department shall establish, by rule, a procedure to conduct interim on-site review of large or complex construction projects.

(g) The Department shall establish, by rule, an expedited process for emergency repairs or replacement of like equipment.

(h) Nothing in this Section shall be construed to apply to maintenance, upkeep, or renovation that does not affect the structural integrity of the building, does not add beds or services over the number for which the long-term care facility is licensed, and provides a reasonable degree of safety for the residents.

(210 ILCS 45/3-303) (from Ch. 111 1/2, par. 4153-303)

Sec. 3-303. (a) The situation, condition or practice constituting a Type "AA" violation or a Type "A" violation shall be abated or eliminated immediately unless a fixed period of time, not exceeding 15 days, as determined by the Department and specified in the notice of violation, is required for correction.

(b) At the time of issuance of a notice of a Type "B" violation, the Department shall request a plan of correction which is subject to the Department's approval. The facility shall have 10 days after receipt of notice of violation in which to prepare and submit a plan of correction. The Department may extend this period up to 30 days where correction involves substantial capital improvement. The plan shall include a fixed time period not in excess of 90 days within which violations are to be corrected. If the Department rejects a plan of correction, it shall send notice of the rejection and the reason for the rejection to the facility. The facility shall have 10 days after receipt of the notice of rejection in which to submit a modified plan. If the modified plan is not timely submitted, or if the modified plan is rejected, the facility shall follow an approved plan of correction imposed by the Department.

(c) If the violation has been corrected prior to submission and approval of a plan of correction, the facility may submit a report of correction in place of a plan of correction. Such report shall be signed by the administrator under oath.

(d) Upon a licensee's petition, the Department shall determine whether to grant a licensee's request for an extended correction time. Such petition shall be served on the Department prior to expiration of the correction time originally approved. The burden of proof is on the petitioning facility to show good cause for not being able to comply with the original correction time approved.

(e) If a facility desires to contest any Department action under this Section it shall send a written request for a hearing under Section 3-703 to the Department within 10 days of receipt of notice of the contested action. The Department shall commence the hearing as provided under Section 3-703. Whenever possible, all action of the Department under this Section arising out of a violation shall be contested and determined at a single hearing. Issues decided after a hearing may not be reheard at subsequent hearings under this Section.

(f) For facilities operated by the Department of Veterans' Affairs, all deadlines contained in this Section for correction of violations are subject to adherence to applicable provisions of State procurement law and the availability of appropriations for the specific purpose.

(Source: P.A. 96-1372, eff. 7-29-10.)

Section 15. The Veterans and Servicemembers Court Treatment Act is amended by changing Sections 10 and 25 as follows:

(730 ILCS 167/10)

Sec. 10. Definitions. In this Act:

"Combination Veterans and Servicemembers Court program" means a court program that includes a pre-adjudicatory and a post-adjudicatory Veterans and Servicemembers court program.

"Court" means Veterans and Servicemembers Court.

"IDVA" means the Illinois Department of Veterans' Affairs.

"Peer recovery coach" means a volunteer veteran mentor assigned to a veteran or servicemember during participation in a veteran treatment court program who has been trained and certified by the court to guide and mentor the participant to successfully complete the assigned requirements.

"Post-adjudicatory Veterans and Servicemembers Court Program" means a program in which the defendant has admitted guilt or has been found guilty and agrees, along with the prosecution, to enter a Veterans and Servicemembers Court program as part of the defendant's sentence.

"Pre-adjudicatory Veterans and Servicemembers Court Program" means a program that allows the defendant with the consent of the prosecution, to expedite the defendant's criminal case before conviction or before filing of a criminal case and requires successful completion of the Veterans and Servicemembers Court programs as part of the agreement.

"Servicemember" means a person who is currently serving in the Army, Air Force, Marines, Navy, or Coast Guard on active duty, reserve status or in the National Guard.

"VA" means the United States Department of Veterans' Affairs.

"Veteran" means a person who served in the active military, naval, or air service and who was discharged or released therefrom under conditions other than dishonorable.

"Veterans and Servicemembers Court professional" means a member of the Veterans and Servicemembers Court team, including but not limited to a judge, prosecutor, defense attorney, probation officer, coordinator, treatment provider, or peer recovery coach.

"Veterans and Servicemembers Court" means a court or program with an immediate and highly structured judicial intervention process for substance abuse treatment, mental health, or other assessed treatment needs of eligible veteran and servicemember defendants that brings together substance abuse professionals, mental health professionals, VA professionals, local social programs and intensive judicial monitoring in accordance with the nationally recommended 10 key components of drug courts.

(Source: P.A. 96-924, eff. 6-14-10; 97-946, eff. 8-13-12.)

(730 ILCS 167/25)

Sec. 25. Procedure.

(a) The Court shall order the defendant to submit to an eligibility screening and an assessment through the VA and/or the IDVA to provide information on the defendant's veteran or servicemember status.

(b) The Court shall order the defendant to submit to an eligibility screening and mental health and drug/alcohol screening and assessment of the defendant by the VA or by the IDVA to provide assessment services for Illinois Courts. The assessment shall include a risks assessment and be based, in part, upon the known availability of treatment resources available to the Veterans and Servicemembers Court. The assessment shall also include recommendations for treatment of the conditions which are indicating a need for treatment under the monitoring of the Court and be reflective of a level of risk assessed for the individual seeking admission. An assessment need not be ordered if the Court finds a valid screening and/or assessment related to the present charge pending against the defendant has been completed within the previous 60 days.

(c) The judge shall inform the defendant that if the defendant fails to meet the conditions of the Veterans and Servicemembers Court program, eligibility to participate in the program may be revoked and the defendant may be sentenced or the prosecution continued as provided in the Unified Code of Corrections for the crime charged.

(d) The defendant shall execute a written agreement with the Court as to his or her participation in the program and shall agree to all of the terms and conditions of the program, including but not limited to the possibility of sanctions or incarceration for failing to abide or comply with the terms of the program.

(e) In addition to any conditions authorized under the Pretrial Services Act and Section 5-6-3 of the Unified Code of Corrections, the Court may order the defendant to complete substance abuse treatment in an outpatient, inpatient, residential, or jail-based custodial treatment program, order the defendant to complete mental health counseling in an inpatient or outpatient basis, comply with physicians' recommendation regarding medications and all follow up treatment. This treatment may include but is not limited to post-traumatic stress disorder, traumatic brain injury and depression.

(f) The Court may establish a mentorship program that provides access and support to program participants by peer recovery coaches. Courts shall be responsible to administer the mentorship program with the support of volunteer veterans and local veteran service organizations. Peer recovery coaches shall be trained and certified by the Court prior to being assigned to participants in the program.

(Source: P.A. 96-924, eff. 6-14-10.)

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

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

At the hour of 12:38 o'clock p.m., Senator Link, presiding.

On motion of Senator Mulroe, **Senate Bill No. 661** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 661**

AMENDMENT NO. 1. Amend Senate Bill 661 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Hepatitis C Screening Act.

Section 5. Definitions. For purposes of this Act:

"Comprehensive physical examination" means a medical examination in which a health care practitioner takes a complete medical history to be used in the development of a comprehensive prevention and treatment plan, regardless of setting, including, but not limited to a physician's office, clinic, in-patient or out-patient facility.

"Department" means the Department of Public Health.

"Health care practitioner" means a physician licensed to practice medicine in all its branches, a physician assistant, or an advanced practice nurse.

"Primary care" means the medical fields of family medicine, general internal medicine, obstetrics, or gynecology.

Section 10. Hepatitis C screening.

(a) Health care practitioners offering primary care shall offer a one-time hepatitis C screening to persons born between the years of 1945 and 1965 during comprehensive physical examinations and for all new patients born between the years of 1945 and 1965. Nothing in this Act shall be construed to restrict a health care practitioner from recommending screening to any patient at any time.

(b) Health care practitioners engaged in a comprehensive physical examination, regardless of setting, shall offer a one-time hepatitis C screening to persons born between the years of 1945 and 1965 any time blood is drawn for testing.

(c) The requirements in subsections (a) and (b) do not apply when:

(1) the health care practitioner reasonably believes that hepatitis C screening is contraindicated for the patient;

(2) the health care practitioner believes an offer would interfere with the appropriate care and treatment of the patient under the circumstances;

(3) the patient is being seen for an acute ailment, illness, or condition;

(4) the patient is being evaluated or treated for an emergency as defined by the federal Emergency Medical Treatment and Labor Act; or

(5) the patient has been previously screened for hepatitis C.

Section 15. Public health campaign. The Department shall conduct a public education campaign to describe the prevalence of hepatitis C, the risk factors for contracting hepatitis C, persons who should be screened, and complications and conditions resulting from hepatitis C.

Section 90. Repealer. This Act is repealed on January 1, 2020.

Section 900. The State Employees Group Insurance Act of 1971 is amended by changing Section 6.11 as follows:

(5 ILCS 375/6.11)

Sec. 6.11. Required health benefits; Illinois Insurance Code requirements. The program of health benefits shall provide the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t of the Illinois Insurance Code. The program of health benefits

shall provide the coverage required under Sections 356g, 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, ~~and~~ 356z.22 , and 356z.23 of the Illinois Insurance Code. The program of health benefits must comply with Sections 155.22a, 155.37, 355b, and 356z.19 of the Illinois Insurance Code.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

Section 905. The Counties Code is amended by changing Section 5-1069.3 as follows:

(55 ILCS 5/5-1069.3)

Sec. 5-1069.3. Required health benefits. If a county, including a home rule county, is a self-insurer for purposes of providing health insurance coverage for its employees, the coverage shall include coverage for the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t and the coverage required under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, ~~and~~ 356z.22 , and 356z.23 of the Illinois Insurance Code. The coverage shall comply with Sections 155.22a, 355b, and 356z.19 of the Illinois Insurance Code. The requirement that health benefits be covered as provided in this Section is an exclusive power and function of the State and is a denial and limitation under Article VII, Section 6, subsection (h) of the Illinois Constitution. A home rule county to which this Section applies must comply with every provision of this Section.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

Section 910. The Illinois Municipal Code is amended by changing Section 10-4-2.3 as follows:

(65 ILCS 5/10-4-2.3)

Sec. 10-4-2.3. Required health benefits. If a municipality, including a home rule municipality, is a self-insurer for purposes of providing health insurance coverage for its employees, the coverage shall include coverage for the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t and the coverage required under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, ~~and~~ 356z.22 , and 356z.23 of the Illinois Insurance Code. The coverage shall comply with Sections 155.22a, 355b, and 356z.19 of the Illinois Insurance Code. The requirement that health benefits be covered as provided in this is an exclusive power and function of the State and is a denial and limitation under Article VII, Section 6, subsection (h) of the Illinois Constitution. A home rule municipality to which this Section applies must comply with every provision of this Section.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

Section 915. The School Code is amended by changing Section 10-22.3f as follows:

(105 ILCS 5/10-22.3f)

Sec. 10-22.3f. Required health benefits. Insurance protection and benefits for employees shall provide the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t and the coverage required under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, ~~and~~ 356z.22 ,and 356z.23 of the Illinois Insurance Code. Insurance policies shall comply with Section 356z.19 of the Illinois Insurance Code. The coverage shall comply with Sections 155.22a and 355b of the Illinois Insurance Code.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures

of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.
(Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

Section 920. The Illinois Insurance Code is amended by adding Section 356z.23 as follows:
(215 ILCS 5/356z.23 new)
Sec. 356z.23. Hepatitis C testing. On and after the effective date of this amendatory Act of the 99th General Assembly, every insurer that amends, delivers, issues, or renews a group or individual major medical policy of accident and health insurance in this State providing coverage for hospital or medical treatment shall provide coverage for hepatitis C screening and confirmatory testing consistent with reasonable medical standards.

Section 925. The Health Maintenance Organization Act is amended by changing Section 5-3 as follows:
(215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)
Sec. 5-3. Insurance Code provisions.
(a) Health Maintenance Organizations shall be subject to the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21, 356z.22, 356z.23, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.
(b) For purposes of the Illinois Insurance Code, except for Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health Maintenance Organizations in the following categories are deemed to be "domestic companies":
(1) a corporation authorized under the Dental Service Plan Act or the Voluntary Health Services Plans Act;
(2) a corporation organized under the laws of this State; or
(3) a corporation organized under the laws of another state, 30% or more of the enrollees of which are residents of this State, except a corporation subject to substantially the same requirements in its state of organization as is a "domestic company" under Article VIII 1/2 of the Illinois Insurance Code.
(c) In considering the merger, consolidation, or other acquisition of control of a Health Maintenance Organization pursuant to Article VIII 1/2 of the Illinois Insurance Code,
(1) the Director shall give primary consideration to the continuation of benefits to enrollees and the financial conditions of the acquired Health Maintenance Organization after the merger, consolidation, or other acquisition of control takes effect;
(2)(i) the criteria specified in subsection (1)(b) of Section 131.8 of the Illinois Insurance Code shall not apply and (ii) the Director, in making his determination with respect to the merger, consolidation, or other acquisition of control, need not take into account the effect on competition of the merger, consolidation, or other acquisition of control;
(3) the Director shall have the power to require the following information:
(A) certification by an independent actuary of the adequacy of the reserves of the Health Maintenance Organization sought to be acquired;
(B) pro forma financial statements reflecting the combined balance sheets of the acquiring company and the Health Maintenance Organization sought to be acquired as of the end of the preceding year and as of a date 90 days prior to the acquisition, as well as pro forma financial statements reflecting projected combined operation for a period of 2 years;
(C) a pro forma business plan detailing an acquiring party's plans with respect to the operation of the Health Maintenance Organization sought to be acquired for a period of not less than 3 years; and
(D) such other information as the Director shall require.
(d) The provisions of Article VIII 1/2 of the Illinois Insurance Code and this Section 5-3 shall apply to the sale by any health maintenance organization of greater than 10% of its enrollee population (including without limitation the health maintenance organization's right, title, and interest in and to its health care certificates).

(e) In considering any management contract or service agreement subject to Section 141.1 of the Illinois Insurance Code, the Director (i) shall, in addition to the criteria specified in Section 141.2 of the Illinois Insurance Code, take into account the effect of the management contract or service agreement on the continuation of benefits to enrollees and the financial condition of the health maintenance organization to be managed or serviced, and (ii) need not take into account the effect of the management contract or service agreement on competition.

(f) Except for small employer groups as defined in the Small Employer Rating, Renewability and Portability Health Insurance Act and except for medicare supplement policies as defined in Section 363 of the Illinois Insurance Code, a Health Maintenance Organization may by contract agree with a group or other enrollment unit to effect refunds or charge additional premiums under the following terms and conditions:

(i) the amount of, and other terms and conditions with respect to, the refund or additional premium are set forth in the group or enrollment unit contract agreed in advance of the period for which a refund is to be paid or additional premium is to be charged (which period shall not be less than one year); and

(ii) the amount of the refund or additional premium shall not exceed 20% of the Health Maintenance Organization's profitable or unprofitable experience with respect to the group or other enrollment unit for the period (and, for purposes of a refund or additional premium, the profitable or unprofitable experience shall be calculated taking into account a pro rata share of the Health Maintenance Organization's administrative and marketing expenses, but shall not include any refund to be made or additional premium to be paid pursuant to this subsection (f)). The Health Maintenance Organization and the group or enrollment unit may agree that the profitable or unprofitable experience may be calculated taking into account the refund period and the immediately preceding 2 plan years.

The Health Maintenance Organization shall include a statement in the evidence of coverage issued to each enrollee describing the possibility of a refund or additional premium, and upon request of any group or enrollment unit, provide to the group or enrollment unit a description of the method used to calculate (1) the Health Maintenance Organization's profitable experience with respect to the group or enrollment unit and the resulting refund to the group or enrollment unit or (2) the Health Maintenance Organization's unprofitable experience with respect to the group or enrollment unit and the resulting additional premium to be paid by the group or enrollment unit.

In no event shall the Illinois Health Maintenance Organization Guaranty Association be liable to pay any contractual obligation of an insolvent organization to pay any refund authorized under this Section.

(g) Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437, eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

Section 930. The Voluntary Health Services Plans Act is amended by changing Section 10 as follows:

(215 ILCS 165/10) (from Ch. 32, par. 604)

Sec. 10. Application of Insurance Code provisions. Health services plan corporations and all persons interested therein or dealing therewith shall be subject to the provisions of Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140, 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g, 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18, 356z.19, 356z.21, 356z.22, 356z.23, 364.01, 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7) and (15) of Section 367 of the Illinois Insurance Code.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

Section 935. The Illinois Public Aid Code is amended by changing Section 5-16.8 as follows:

(305 ILCS 5/5-16.8)

Sec. 5-16.8. Required health benefits. The medical assistance program shall (i) provide the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section

356t and the coverage required under Sections 356g.5, 356u, 356w, 356x, ~~and~~ 356z.6 , and 356z.23 of the Illinois Insurance Code and (ii) be subject to the provisions of Sections 356z.19 and 364.01 of the Illinois Insurance Code.

On and after July 1, 2012, the Department shall reduce any rate of reimbursement for services or other payments or alter any methodologies authorized by this Code to reduce any rate of reimbursement for services or other payments in accordance with Section 5-5e.

(Source: P.A. 97-282, eff. 8-9-11; 97-689, eff. 6-14-12.)".

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

On motion of Senator Steans, **Senate Bill No. 665** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 665**

AMENDMENT NO. 1. Amend Senate Bill 665 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 2-3.25f as follows:

(105 ILCS 5/2-3.25f) (from Ch. 122, par. 2-3.25f)

Sec. 2-3.25f. State interventions.

(a) The State Board of Education shall provide technical assistance to assist with the development and implementation of School and District Improvement Plans.

Schools or school districts that fail to make reasonable efforts to implement an approved Improvement Plan may suffer loss of State funds by school district, attendance center, or program as the State Board of Education deems appropriate.

(a-5) (Blank).

(b) If after 3 years following its placement on academic watch status a school district or school remains on academic watch status, the State Board of Education may (i) change the recognition status of the school district or school to nonrecognized or (ii) authorize the State Superintendent of Education to direct the reassignment of pupils or direct the reassignment or replacement of school district personnel who are relevant to the failure to meet adequate yearly progress criteria. If a school district is nonrecognized in its entirety, it shall automatically be dissolved on July 1 following that nonrecognition and its territory realigned with another school district or districts by the regional board of school trustees in accordance with the procedures set forth in Section 7-11 of the School Code. The effective date of the nonrecognition of a school shall be July 1 following the nonrecognition.

(b-5) The State Board of Education shall also develop a system to provide assistance and resources to lower performing school districts. At a minimum, the State Board shall identify school districts to receive priority services, to be known as priority districts. The school district shall provide the exclusive bargaining representative with a 5-day notice that the district has been identified as a priority district. In addition, the State Board may, by rule, develop other categories of low-performing schools and school districts to receive services.

Districts designated as priority districts shall be those that fall within one of the following categories:

(1) Have at least one school that is among the lowest performing 5% of schools in this State based on a 3-year average, with respect to the performance of the "all students" group for the percentage of students meeting or exceeding standards in reading and mathematics combined, and demonstrate a lack of progress as defined by the State Board of Education.

(2) Have at least one secondary school that has an average graduation rate of less than 60% over the last 3 school years.

(3) Have at least one school receiving a school improvement grant under Section 1003(g) of the federal Elementary and Secondary Education Act of 1965.

The State Board of Education shall work with a priority district to perform a district needs assessment to determine the district's core functions that are areas of strength and weakness, unless the district is already undergoing a national accreditation process. The results from the district needs assessment shall be used by the district to identify goals and objectives for the district's improvement. The district needs assessment shall include a study of district functions, such as district finance, governance, student engagement, instruction practices, climate, community involvement, and continuous improvement.

Based on the results of the district needs assessment, the State Board of Education shall work with the district to provide technical assistance and professional development, in partnership with the district, to implement a continuous improvement plan that would increase outcomes for students. The plan for continuous improvement shall be based on the results of the district needs assessment and shall be used to determine the types of services that are to be provided to each priority district. Potential services for a district may include monitoring adult and student practices, reviewing and reallocating district resources, developing a district leadership team, providing access to curricular content area specialists, and providing online resources and professional development.

The State Board of Education may require priority districts identified as having deficiencies in one or more core functions of the district needs assessment to undergo an accreditation process as provided in subsection (d) of Section 2-3.25f-5 of this Code.

(c) All federal requirements apply to schools and school districts utilizing federal funds under Title I, Part A of the federal Elementary and Secondary Education Act of 1965.

(Source: P.A. 97-370, eff. 1-1-12; 98-1155, eff. 1-9-15.)

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

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

On motion of Senator Steans, **Senate Bill No. 680** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Silverstein, **Senate Bill No. 729** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hunter, **Senate Bill No. 786** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 786**

AMENDMENT NO. 1. Amend Senate Bill 786 by replacing everything after the enacting clause with the following:

"Section 5. The Probate Act of 1975 is amended by changing Sections 11-10.1 and 11-13 as follows:

(755 ILCS 5/11-10.1) (from Ch. 110 1/2, par. 11-10.1)

Sec. 11-10.1. Procedure for appointment of a standby guardian or a guardian of a minor.

(a) Unless excused by the court for good cause shown, it is the duty of the petitioner to give notice of the time and place of the hearing on the petition, in person or by mail, to the minor, if the minor is 14 years, or older, and to the relatives and the short-term guardian of the minor whose names and addresses are stated in the petition, not less than 7 ~~3~~ days before the hearing, but failure to give notice to any relative is not jurisdictional.

(b) In any proceeding for the appointment of a standby guardian or a guardian the court may appoint a guardian ad litem to represent the minor in the proceeding.

(Source: P.A. 98-1082, eff. 1-1-15.)

(755 ILCS 5/11-13) (from Ch. 110 1/2, par. 11-13)

Sec. 11-13. Duties of guardian of a minor. Before a guardian of a minor may act, the guardian shall be appointed by the court of the proper county and, in the case of a guardian of the minor's estate, the guardian shall give the bond prescribed in Section 12-2. Except as provided in Section 11-13.1 and Section 11-13.2 with respect to the standby or short-term guardian of the person of a minor, the court shall have control over the person and estate of the ward. Under the direction of the court:

(a) The guardian of the person shall have the custody, nurture and tuition and shall provide education of the ward and of his children, but the ward's spouse may not be deprived of the custody and education of the spouse's children, without consent of the spouse, unless the court finds that the spouse is not a fit and competent person to have such custody and education. If the ward's estate is insufficient to provide for the ward's education and the guardian of his person fails to provide education, the court may award the custody of the ward to some other person for the purpose of providing education. If a person makes a settlement upon or provision for the support or education of a ward and if either parent of the ward is dead, the court may make such order for the visitation of the ward by the person making the settlement or

provision as the court deems proper. The guardian of the minor shall inform the court of the minor's current address by certified mail, hand delivery, or other method in accordance with court rules within 30 days of any change of residence.

(b) The guardian or other representative of the ward's estate shall have the care, management and investment of the estate, shall manage the estate frugally and shall apply the income and principal of the estate so far as necessary for the comfort and suitable support and education of the ward, his children, and persons related by blood or marriage who are dependent upon or entitled to support from him, or for any other purpose which the court deems to be for the best interests of the ward, and the court may approve the making on behalf of the ward of such agreements as the court determines to be for the ward's best interests. The representative may make disbursement of his ward's funds and estate directly to the ward or other distributee or in such other manner and in such amounts as the court directs. If the estate of a ward is derived in whole or in part from payments of compensation, adjusted compensation, pension, insurance or other similar benefits made directly to the estate by the Veterans Administration, notice of the application for leave to invest or expend the ward's funds or estate, together with a copy of the petition and proposed order, shall be given to the Veterans' Administration Regional Office in this State at least 7 days before the hearing on the application. The court, upon petition of a guardian of the estate of a minor, may permit the guardian to make a will or create a revocable or irrevocable trust for the minor that the court considers appropriate in light of changes in applicable tax laws that allow for minimization of State or federal income, estate, or inheritance taxes; however, the will or trust must make distributions only to the persons who would be entitled to distributions if the minor were to die intestate and the will or trust must make distributions to those persons in the same amounts to which they would be entitled if the minor were to die intestate.

(c) Upon the direction of the court which issued his letters a representative may perform the contracts of his ward which were legally subsisting at the time of the commencement of the guardianship. The court may authorize the guardian to execute and deliver any bill of sale, deed or other instrument.

(d) The representative of the estate of a ward shall appear for and represent the ward in all legal proceedings unless another person is appointed for that purpose as representative or next friend. This does not impair the power of any court to appoint a representative or next friend to defend the interests of the ward in that court, or to appoint or allow any person as the next friend of a ward to commence, prosecute or defend any proceeding in his behalf. Any proceeding on behalf of a minor may be commenced and prosecuted by his next friend, without any previous authority or appointment by the court if the next friend enters bond for costs and files it in the court where the proceeding is pending. Without impairing the power of the court in any respect, if the representative of the estate of a minor and another person as next friend shall appear for and represent the minor in a legal proceeding in which the compensation of the attorney or attorneys representing the guardian and next friend is solely determined under a contingent fee arrangement, the guardian of the estate of the minor shall not participate in or have any duty to review the prosecution of the action, to participate in or review the appropriateness of any settlement of the action, or to participate in or review any determination of the appropriateness of any fees awarded to the attorney or attorneys employed in the prosecution of the action.

(e) Upon petition by any interested person (including the standby or short-term guardian), with such notice to interested persons as the court directs and a finding by the court that it is in the best interest of the minor, the court may terminate or limit the authority of a standby or short-term guardian or may enter such other orders as the court deems necessary to provide for the best interest of the minor. The petition for termination or limitation of the authority of a standby or short-term guardian may, but need not, be combined with a petition to have a guardian appointed for the minor.

(f) The court may grant leave to the guardian of a minor child or children to remove such child or children from Illinois whenever such approval is in the best interests of such child or children. The guardian may not remove a minor from Illinois except as permitted under this Section and must seek leave of the court prior to removing a child for 30 days or more. The burden of proving that such removal is in the best interests of such child or children is on the guardian. When such removal is permitted, the court may require the guardian removing such child or children from Illinois to give reasonable security guaranteeing the return of such children.

The court shall consider the wishes of the minor's parent or parents and the effect of removal on visitation and the wishes of the minor if he or she is 14 years of age or older. The court may not consider the availability of electronic communication as a factor in support of the removal of a child by the guardian from Illinois. The guardianship order may incorporate language governing removal of the minor from the State. Any order for removal, including one incorporated into the guardianship order, must include the date of the removal, the reason for removal, and the proposed residential and mailing address of the minor

after removal. A copy of the order must be provided to any parent whose location is known, within 3 days of entry, either by personal delivery or by certified mail, return receipt requested.

Before a minor child is temporarily removed from Illinois for more than 48 hours but less than 30 days, the guardian shall inform the parent or parents of the address and telephone number where the child may be reached during the period of temporary removal and the date on which the child shall return to Illinois. The State of Illinois retains jurisdiction when the minor child is absent from the State pursuant to this subsection. The guardianship order may incorporate language governing out-of-state travel with the minor. (Source: P.A. 98-1082, eff. 1-1-15.)

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

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

On motion of Senator Sullivan, **Senate Bill No. 813** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Sullivan, **Senate Bill No. 836** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 836**

AMENDMENT NO. 1. Amend Senate Bill 836 by replacing everything after the enacting clause with the following:

"Section 5. The Mental Health and Developmental Disabilities Code is amended by changing Sections 6-103.2 and 6-103.3 as follows:

(405 ILCS 5/6-103.2)

Sec. 6-103.2. Developmental disability; notice. If ~~For purposes of this Section, if~~ a person 14 years old or older is determined to be developmentally disabled ~~as defined in Section 1.1 of the Firearm Owners Identification Card Act~~ by a physician, clinical psychologist, or qualified examiner, ~~whether practicing at a public or by a private mental health facility or developmental disability facility,~~ the physician, clinical psychologist, or qualified examiner shall notify the Department of Human Services within 7 days ~~24 hours~~ of making the determination that the person has a developmental disability. The Department of Human Services shall immediately update its records and information relating to mental health and developmental disabilities, and if appropriate, shall notify the Department of State Police in a form and manner prescribed by the Department of State Police. Information disclosed under this Section shall remain privileged and confidential, and shall not be redisclosed, except as required under subsection (e) of Section 3.1 of the Firearm Owners Identification Card Act, nor used for any other purpose. The method of providing this information shall guarantee that the information is not released beyond that which is necessary for the purpose of this Section and shall be provided by rule by the Department of Human Services. The identity of the person reporting under this Section shall not be disclosed to the subject of the report.

The physician, clinical psychologist, or qualified examiner making the determination and his or her employer may not be held criminally, civilly, or professionally liable for making or not making the notification required under this Section, except for willful or wanton misconduct.

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

(i) self-care;

(ii) receptive and expressive language;

(iii) learning;

(iv) mobility; or

(v) self-direction.

"Determined to be developmentally disabled by a physician, clinical psychologist, or qualified examiner" means in the professional opinion of the physician, clinical psychologist, or qualified examiner, a person is diagnosed, assessed, or evaluated to be developmentally disabled.

(Source: P.A. 98-63, eff. 7-9-13.)

(405 ILCS 5/6-103.3)

Sec. 6-103.3. Clear and present danger; notice. If a person is determined to pose a clear and present danger to himself, herself, or to others by a physician, clinical psychologist, or qualified examiner, whether employed by the State, by any public or private mental health facility or part thereof, or by a law enforcement official or a school administrator, then the physician, clinical psychologist, qualified examiner shall notify the Department of Human Services and a law enforcement official or school administrator shall notify the Department of State Police, within 24 hours of making the determination that the person poses a clear and present danger. The Department of Human Services shall immediately update its records and information relating to mental health and developmental disabilities, and if appropriate, shall notify the Department of State Police in a form and manner prescribed by the Department of State Police. Information disclosed under this Section shall remain privileged and confidential, and shall not be redisclosed, except as required under subsection (e) of Section 3.1 of the Firearm Owners Identification Card Act, nor used for any other purpose. The method of providing this information shall guarantee that the information is not released beyond that which is necessary for the purpose of this Section and shall be provided by rule by the Department of Human Services. The identity of the person reporting under this Section shall not be disclosed to the subject of the report. The physician, clinical psychologist, qualified examiner, law enforcement official, or school administrator making the determination and his or her employer shall not be held criminally, civilly, or professionally liable for making or not making the notification required under this Section, except for willful or wanton misconduct. This Section does not apply to a law enforcement official, if making the notification under this Section will interfere with an ongoing or pending criminal investigation.

For the purposes of this Section:

"Clear and present danger" has the meaning ascribed to it in Section 1.1 of the Firearm Owners Identification Card Act.

"Determined to pose a clear and present danger to himself, herself, or to others by a physician, clinical psychologist, or qualified examiner" means in the professional opinion of the physician, clinical psychologist, or qualified examiner, a person poses a clear and present danger.

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

(Source: P.A. 98-63, eff. 7-9-13.)

Section 10. The Firearm Owners Identification Card Act is amended by changing Sections 1.1 and 10 as follows:

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

Sec. 1.1. For purposes of this Act:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Clear and present danger" means a person who:

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

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

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

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

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

"Developmentally disabled" means a disability which is attributable to any other condition which results in impairment similar to that caused by an intellectual disability and which requires services similar to those required by intellectually disabled persons. The disability must originate before the age of 18 years, be expected to continue indefinitely, and constitute a substantial disability ~~handicap~~.

This disability results in the professional opinion of a physician, clinical psychologist, or qualified examiner, in significant functional limitations in 3 or more of the following areas of major life activity:

(i) self-care;

(ii) receptive and expressive language;

(iii) learning;

(iv) mobility; or

(v) self-direction.

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

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

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

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

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

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

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

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

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

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

"Gun show" means an event or function:

(1) at which the sale and transfer of firearms is the regular and normal course of

business and where 50 or more firearms are displayed, offered, or exhibited for sale, transfer, or exchange; or

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

"Gun show" includes the entire premises provided for an event or function, including parking areas for the event or function, that is sponsored to facilitate the purchase, sale, transfer, or exchange of firearms as described in this Section.

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

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

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

"Intellectually disabled" means significantly subaverage general intellectual functioning which exists concurrently with impairment in adaptive behavior and which originates before the age of 18 years.

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

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

"Patient" means:

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

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

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

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

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

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

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

(Source: P.A. 97-776, eff. 7-13-12; 97-1150, eff. 1-25-13; 97-1167, eff. 6-1-13; 98-63, eff. 7-9-13.)

(430 ILCS 65/10) (from Ch. 38, par. 83-10)

Sec. 10. Appeal to director; hearing; relief from firearm prohibitions.

(a) Whenever an application for a Firearm Owner's Identification Card is denied, whenever the Department fails to act on an application within 30 days of its receipt, or whenever such a Card is revoked or seized as provided for in Section 8 of this Act, the aggrieved party may appeal to the Director of State Police for a hearing upon such denial, revocation or seizure, unless the denial, revocation, or seizure was based upon a forcible felony, stalking, aggravated stalking, domestic battery, any violation of the Illinois Controlled Substances Act, the Methamphetamine Control and Community Protection Act, or the Cannabis Control Act that is classified as a Class 2 or greater felony, any felony violation of Article 24 of the Criminal Code of 1961 or the Criminal Code of 2012, or any adjudication as a delinquent minor for the commission of an offense that if committed by an adult would be a felony, in which case the aggrieved party may petition the circuit court in writing in the county of his or her residence for a hearing upon such denial, revocation, or seizure.

(b) At least 30 days before any hearing in the circuit court, the petitioner shall serve the relevant State's Attorney with a copy of the petition. The State's Attorney may object to the petition and present evidence. At the hearing the court shall determine whether substantial justice has been done. Should the court determine that substantial justice has not been done, the court shall issue an order directing the Department

of State Police to issue a Card. However, the court shall not issue the order if the petitioner is otherwise prohibited from obtaining, possessing, or using a firearm under federal law.

(c) Any person prohibited from possessing a firearm under Sections 24-1.1 or 24-3.1 of the Criminal Code of 2012 or acquiring a Firearm Owner's Identification Card under Section 8 of this Act may apply to the Director of State Police or petition the circuit court in the county where the petitioner resides, whichever is applicable in accordance with subsection (a) of this Section, requesting relief from such prohibition and the Director or court may grant such relief if it is established by the applicant to the court's or Director's satisfaction that:

(0.05) when in the circuit court, the State's Attorney has been served with a written copy of the petition at least 30 days before any such hearing in the circuit court and at the hearing the State's Attorney was afforded an opportunity to present evidence and object to the petition;

(1) the applicant has not been convicted of a forcible felony under the laws of this State or any other jurisdiction within 20 years of the applicant's application for a Firearm Owner's Identification Card, or at least 20 years have passed since the end of any period of imprisonment imposed in relation to that conviction;

(2) the circumstances regarding a criminal conviction, where applicable, the applicant's criminal history and his reputation are such that the applicant will not be likely to act in a manner dangerous to public safety;

(3) granting relief would not be contrary to the public interest; and

(4) granting relief would not be contrary to federal law.

(c-5) (1) An active law enforcement officer employed by a unit of government, who is denied, revoked, or has his or her Firearm Owner's Identification Card seized under subsection (e) of Section 8 of this Act may apply to the Director of State Police requesting relief if the officer did not act in a manner threatening to the officer, another person, or the public as determined by the treating clinical psychologist or physician, and as a result of his or her work is referred by the employer for or voluntarily seeks mental health evaluation or treatment by a licensed clinical psychologist, psychiatrist, or qualified examiner, and:

(A) the officer has not received treatment involuntarily at a mental health facility, regardless of the length of admission; or has not been voluntarily admitted to a mental health facility for more than 30 days and not for more than one incident within the past 5 years; and

(B) the officer has not left the mental institution against medical advice.

(2) The Director of State Police shall grant expedited relief to active law enforcement officers described in paragraph (1) of this subsection (c-5) upon a determination by the Director that the officer's possession of a firearm does not present a threat to themselves, others, or public safety. The Director shall act on the request for relief within 30 business days of receipt of:

(A) a notarized statement from the officer in the form prescribed by the Director detailing the circumstances that led to the hospitalization;

(B) all documentation regarding the admission, evaluation, treatment and discharge from the treating licensed clinical psychologist or psychiatrist of the officer;

(C) a psychological fitness for duty evaluation of the person completed after the time of discharge; and

(D) written confirmation in the form prescribed by the Director from the treating licensed clinical psychologist or psychiatrist that the provisions set forth in paragraph (1) of this subsection (c-5) have been met, the person successfully completed treatment, and their professional opinion regarding the person's ability to possess firearms.

(3) Officers eligible for the expedited relief in paragraph (2) of this subsection (c-5) have the burden of proof on eligibility and must provide all information required. The Director may not consider granting expedited relief until the proof and information is received.

(4) "Clinical psychologist", "psychiatrist", and "qualified examiner" shall have the same meaning as provided in Chapter I ~~1~~ of the Mental Health and Developmental Disabilities Code.

(c-10) (1) An applicant, who is denied, revoked, or has his or her Firearm Owner's Identification Card seized under subsection (e) of Section 8 of this Act based upon a determination of a developmental disability or an intellectual disability may apply to the Director of State Police requesting relief.

(2) The Director shall act on the request for relief within 60 business days of receipt of written certification, in the form prescribed by the Director, from a physician or clinical psychologist, or qualified examiner, that the aggrieved party's developmental disability or intellectual disability condition is determined by a physician, clinical psychologist, or qualified to be mild. If a fact-finding conference is scheduled to obtain additional information concerning the circumstances of the denial or revocation, the 60 business days the Director has to act shall be tolled until the completion of the fact-finding conference.

(3) The Director may grant relief if the aggrieved party's developmental disability or intellectual disability is mild as determined by a physician, clinical psychologist, or qualified examiner and it is established by the applicant to the Director's satisfaction that:

(A) granting relief would not be contrary to the public interest; and

(B) granting relief would not be contrary to federal law.

(4) The Director may not grant relief if the condition is determined by a physician, clinical psychologist, or qualified examiner to be moderate, severe, or profound.

(d) When a minor is adjudicated delinquent for an offense which if committed by an adult would be a felony, the court shall notify the Department of State Police.

(e) The court shall review the denial of an application or the revocation of a Firearm Owner's Identification Card of a person who has been adjudicated delinquent for an offense that if committed by an adult would be a felony if an application for relief has been filed at least 10 years after the adjudication of delinquency and the court determines that the applicant should be granted relief from disability to obtain a Firearm Owner's Identification Card. If the court grants relief, the court shall notify the Department of State Police that the disability has been removed and that the applicant is eligible to obtain a Firearm Owner's Identification Card.

(f) Any person who is subject to the disabilities of 18 U.S.C. 922(d)(4) and 922(g)(4) of the federal Gun Control Act of 1968 because of an adjudication or commitment that occurred under the laws of this State or who was determined to be subject to the provisions of subsections (e), (f), or (g) of Section 8 of this Act may apply to the Department of State Police requesting relief from that prohibition. The Director shall grant the relief if it is established by a preponderance of the evidence that the person will not be likely to act in a manner dangerous to public safety and that granting relief would not be contrary to the public interest. In making this determination, the Director shall receive evidence concerning (i) the circumstances regarding the firearms disabilities from which relief is sought; (ii) the petitioner's mental health and criminal history records, if any; (iii) the petitioner's reputation, developed at a minimum through character witness statements, testimony, or other character evidence; and (iv) changes in the petitioner's condition or circumstances since the disqualifying events relevant to the relief sought. If relief is granted under this subsection or by order of a court under this Section, the Director shall as soon as practicable but in no case later than 15 business days, update, correct, modify, or remove the person's record in any database that the Department of State Police makes available to the National Instant Criminal Background Check System and notify the United States Attorney General that the basis for the record being made available no longer applies. The Department of State Police shall adopt rules for the administration of this Section.
(Source: P.A. 97-1131, eff. 1-1-13; 97-1150, eff. 1-25-13; 97-1167, eff. 6-1-13; 98-63, eff. 7-9-13; revised 12-10-14.)

Section 15. The Mental Health and Developmental Disabilities Confidentiality Act is amended by changing Section 12 as follows:

(740 ILCS 110/12) (from Ch. 91 1/2, par. 812)

Sec. 12. (a) If the United States Secret Service or the Department of State Police requests information from a mental health or developmental disability facility, as defined in Section 1-107 and 1-114 of the Mental Health and Developmental Disabilities Code, relating to a specific recipient and the facility director determines that disclosure of such information may be necessary to protect the life of, or to prevent the infliction of great bodily harm to, a public official, or a person under the protection of the United States Secret Service, only the following information may be disclosed: the recipient's name, address, and age and the date of any admission to or discharge from a facility; and any information which would indicate whether or not the recipient has a history of violence or presents a danger of violence to the person under protection. Any information so disclosed shall be used for investigative purposes only and shall not be publicly disseminated. Any person participating in good faith in the disclosure of such information in accordance with this provision shall have immunity from any liability, civil, criminal or otherwise, if such information is disclosed relying upon the representation of an officer of the United States Secret Service or the Department of State Police that a person is under the protection of the United States Secret Service or is a public official.

For the purpose of this subsection (a), the term "public official" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, State Comptroller, State Treasurer, member of the General Assembly, member of the United States Congress, Judge of the United States as defined in 28 U.S.C. 451, Justice of the United States as defined in 28 U.S.C. 451, United States Magistrate Judge as defined in 28 U.S.C. 639, Bankruptcy Judge appointed under 28 U.S.C. 152, or Supreme, Appellate, Circuit, or Associate Judge of the State of Illinois. The term shall also include the spouse, child or children of a public official.

(b) The Department of Human Services (acting as successor to the Department of Mental Health and Developmental Disabilities) and all public or private hospitals and mental health facilities are required, as hereafter described in this subsection, to furnish the Department of State Police only such information as may be required for the sole purpose of determining whether an individual who may be or may have been a patient is disqualified because of that status from receiving or retaining a Firearm Owner's Identification Card or falls within the federal prohibitors under subsection (e), (f), (g), (r), (s), or (t) of Section 8 of the Firearm Owners Identification Card Act, or falls within the federal prohibitors in 18 U.S.C. 922(g) and (n). All physicians, clinical psychologists, or qualified examiners at public or private mental health facilities or parts thereof as defined in this subsection shall, in the form and manner required by the Department, provide notice directly to the Department of Human Services, or to his or her employer who shall then report to the Department, within 24 hours after determining that a person ~~patient as described in clause (2) of the definition of "patient" in Section 1.1 of the Firearm Owners Identification Card Act~~ poses a clear and present danger to himself, herself, or others, or within 7 days after a person 14 years or older is determined to be developmentally disabled by a physician, clinical psychologist, or qualified examiner as described in Section 1.1 of the Firearm Owners Identification Card Act. If a person is a patient as described in clause (1) of the definition of "patient" in Section 1.1 of the Firearm Owners Identification Card Act, this ~~This~~ information shall be furnished ~~within 24 hours after the physician, clinical psychologist, or qualified examiner has made a determination, or~~ within 7 days after admission to a public or private hospital or mental health facility or the provision of services ~~to a patient described in clause (1) of the definition of "patient" in Section 1.1 of the Firearm Owners Identification Card Act~~. Any such information disclosed under this subsection shall remain privileged and confidential, and shall not be redisclosed, except as required by subsection (e) of Section 3.1 of the Firearm Owners Identification Card Act, nor utilized for any other purpose. The method of requiring the providing of such information shall guarantee that no information is released beyond what is necessary for this purpose. In addition, the information disclosed shall be provided by the Department within the time period established by Section 24-3 of the Criminal Code of 2012 regarding the delivery of firearms. The method used shall be sufficient to provide the necessary information within the prescribed time period, which may include periodically providing lists to the Department of Human Services or any public or private hospital or mental health facility of Firearm Owner's Identification Card applicants on which the Department or hospital shall indicate the identities of those individuals who are to its knowledge disqualified from having a Firearm Owner's Identification Card for reasons described herein. The Department may provide for a centralized source of information for the State on this subject under its jurisdiction. The identity of the person reporting under this subsection shall not be disclosed to the subject of the report. For the purposes of this subsection, the physician, clinical psychologist, or qualified examiner making the determination and his or her employer shall not be held criminally, civilly, or professionally liable for making or not making the notification required under this subsection, except for willful or wanton misconduct.

Any person, institution, or agency, under this Act, participating in good faith in the reporting or disclosure of records and communications otherwise in accordance with this provision or with rules, regulations or guidelines issued by the Department shall have immunity from any liability, civil, criminal or otherwise, that might result by reason of the action. For the purpose of any proceeding, civil or criminal, arising out of a report or disclosure in accordance with this provision, the good faith of any person, institution, or agency so reporting or disclosing shall be presumed. The full extent of the immunity provided in this subsection (b) shall apply to any person, institution or agency that fails to make a report or disclosure in the good faith belief that the report or disclosure would violate federal regulations governing the confidentiality of alcohol and drug abuse patient records implementing 42 U.S.C. 290dd-3 and 290ee-3.

For purposes of this subsection (b) only, the following terms shall have the meaning prescribed:

(1) (Blank).

(1.3) "Clear and present danger" has the meaning as defined in Section 1.1 of the Firearm Owners Identification Card Act.

(1.5) "Developmentally disabled" has the meaning as defined in Section 1.1 of the Firearm Owners Identification Card Act.

(2) "Patient" has the meaning as defined in Section 1.1 of the Firearm Owners Identification Card Act.

(3) "Mental health facility" has the meaning as defined in Section 1.1 of the Firearm Owners Identification Card Act.

(c) Upon the request of a peace officer who takes a person into custody and transports such person to a mental health or developmental disability facility pursuant to Section 3-606 or 4-404 of the Mental Health and Developmental Disabilities Code or who transports a person from such facility, a facility director shall

furnish said peace officer the name, address, age and name of the nearest relative of the person transported to or from the mental health or developmental disability facility. In no case shall the facility director disclose to the peace officer any information relating to the diagnosis, treatment or evaluation of the person's mental or physical health.

For the purposes of this subsection (c), the terms "mental health or developmental disability facility", "peace officer" and "facility director" shall have the meanings ascribed to them in the Mental Health and Developmental Disabilities Code.

(d) Upon the request of a peace officer or prosecuting authority who is conducting a bona fide investigation of a criminal offense, or attempting to apprehend a fugitive from justice, a facility director may disclose whether a person is present at the facility. Upon request of a peace officer or prosecuting authority who has a valid forcible felony warrant issued, a facility director shall disclose: (1) whether the person who is the subject of the warrant is present at the facility and (2) the date of that person's discharge or future discharge from the facility. The requesting peace officer or prosecuting authority must furnish a case number and the purpose of the investigation or an outstanding arrest warrant at the time of the request. Any person, institution, or agency participating in good faith in disclosing such information in accordance with this subsection (d) is immune from any liability, civil, criminal or otherwise, that might result by reason of the action.

(Source: P.A. 97-1150, eff. 1-25-13; 98-63, eff. 7-9-13.)

Section 97. Applicability. This amendatory Act of the 99th General Assembly applies to requests for relief pending on or before the effective date of this amendatory Act, except that the 60-day period for the Director to act on requests pending before the effective date shall begin on the effective date of this amendatory Act.

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

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

On motion of Senator Muñoz, **Senate Bill No. 870** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Haine, **Senate Bill No. 1268** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1268**

AMENDMENT NO. 1. Amend Senate Bill 1268 as follows:

on page 1, by replacing line 5 with: "amended by changing Sections 5, 15, 20, 25, 30, and 35 as follows: "; and

on page 1, immediately below line 5, by inserting the following:

"(215 ILCS 153/5)

Sec. 5. Definitions. For purposes of this Act:

"Annuity issuer" means an insurer that has issued a contract to fund periodic payments under a structured settlement.

"Dependents" include a payee's spouse and minor children and all other persons for whom the payee is legally obligated to provide support, including maintenance.

"Discounted present value" means the present value of future payments determined by discounting such payments to the present using the most recently published Applicable Federal Rate for determining the present value of an annuity, as issued by the United States Internal Revenue Service.

"Gross advance amount" means the sum payable to the payee or for the payee's account as consideration for a transfer of structured settlement payment rights before any reductions for transfer expenses or other deductions to be made from such consideration.

"Independent professional advice" means advice of an attorney, certified public accountant, actuary, or other licensed professional adviser.

"Interested parties" means, with respect to any structured settlement, the payee, any beneficiary irrevocably designated under the annuity contract to receive payments following the payee's death, the

annuity issuer, the structured settlement obligor, and any other party to the structured settlement that has continuing rights or obligations to receive or make payments under such structured settlement.

"Net advance amount" means the gross advance amount less the aggregate amount of the actual and estimated transfer expenses required to be disclosed under item (5) of Section 10 of this Act.

"Payee" means an individual who is receiving tax free payments under a structured settlement and proposes to make a transfer of payment rights thereunder.

"Periodic payments" includes both recurring payments and scheduled future lump sum payments.

"Qualified assignment agreement" means an agreement providing for a qualified assignment within the meaning of Section 130 of the United States Internal Revenue Code, United States Code Title 26, as amended from time to time.

~~"Responsible administrative authority" means, with respect to a structured settlement, any government authority vested by law with exclusive jurisdiction over the settled claim resolved by such structured settlement.~~

"Settled claim" means the original tort claim or workers' compensation claim resolved by a structured settlement.

"Structured settlement" means an arrangement for periodic payment of damages for personal injuries or sickness established by settlement or judgment in resolution of a tort claim ~~or for periodic payments in settlement of a workers' compensation claim~~.

"Structured settlement agreement" means the agreement, judgment, stipulation, or release embodying the terms of a structured settlement.

"Structured settlement obligor" means, with respect to any structured settlement, the party that has the continuing obligation to make periodic payments to the payee under a structured settlement agreement or a qualified assignment agreement.

"Structured settlement payment rights" means rights to receive periodic payments under a structured settlement, whether from the structured settlement obligor or the annuity issuer, when:

(1) the payee is domiciled in, or the domicile or principal place of business of the structured settlement obligor or the annuity issuer is located in, this State;

(2) the structured settlement agreement was approved by a court ~~or responsible administrative authority~~ in this State; or

(3) the structured settlement agreement is expressly governed by the laws of this State.

"Terms of the structured settlement" include, with respect to any structured settlement, the terms of the structured settlement agreement, the annuity contract, any qualified assignment agreement, and any order or other approval of any court ~~or responsible administrative authority~~ or other government authority that authorized or approved such structured settlement.

"Transfer" means any sale, assignment, pledge, hypothecation, or other alienation or encumbrance of structured settlement payment rights made by a payee for consideration; provided that the term "transfer" does not include the creation or perfection of a security interest in structured settlement payment rights under a blanket security agreement entered into with an insured depository institution in the absence of any action to redirect the structured settlement payments to such insured depository institution or an agent or successor in interest thereof or otherwise to enforce such blanket security interest against the structured settlement payment rights.

"Transfer agreement" means the agreement providing for a transfer of structured settlement payment rights.

"Transfer expenses" means all expenses of a transfer that are required under the transfer agreement to be paid by the payee or deducted from the gross advance amount, including, without limitation, court filing fees, attorneys fees, escrow fees, lien recordation fees, judgment and lien search fees, finders' fees, commissions, and other payments to a broker or other intermediary; "transfer expenses" do not include preexisting obligations of the payee payable for the payee's account from the proceeds of a transfer.

"Transferee" means a party acquiring or proposing to acquire structured settlement payment rights through a transfer.

(Source: P.A. 93-502, eff. 1-1-04.)"; and

on page 1, by replacing lines 13 through 23 with the following:

"been approved in advance in a final court order ~~or order of a responsible administrative authority~~ based on express findings by such court ~~or responsible administrative authority~~ that:

(1) the transfer is in the best interest of the payee, taking into account the welfare and support of the payee's dependents;

(2) the payee has been advised in writing by the transferee to seek independent

professional advice regarding the transfer and has either received such advice or knowingly waived in writing the opportunity to seek and receive such advice ~~in writing~~; and"; and

by replacing line 7 on page 2 through line 11 on page 3 with the following:

"payment rights. Following a transfer of structured settlement payment rights approved under this Act:

(1) the structured settlement obligor and the annuity issuer shall, as to all parties except the transferee or an assignee designated by the transferee, be discharged and released from any and all liability for the transferred payments, and the discharge and release shall not be affected by the failure of any other party to the transfer to comply with this Act or with the order of the court approving the transfer;

(2) the transferee shall be liable to the structured settlement obligor and the annuity issuer:

(A) if the transfer contravenes the terms of the structured settlement, for any taxes incurred by the parties as a consequence of the transfer; and

(B) for any other liabilities or costs, including reasonable costs and attorneys' fees, arising from compliance by the structured settlement obligor or annuity issuer ~~parties~~ with the order of the court ~~or responsible administrative authority~~ or from ~~arising as a consequence of the transferee's~~ failure of any party to the transfer to comply with this Act;"; and

by replacing line 20 on page 3 through line 26 on page 5 with the following:

"(215 ILCS 153/25)

Sec. 25. Procedure for approval of transfers.

(a) No annuity issuer or structured settlement obligor may make payments on a structured settlement to anyone other than the payee or beneficiary of the payee without prior approval of the circuit court ~~or responsible administrative authority~~. No payee or beneficiary of a payee of a structured settlement may assign in any manner the structured settlement payment rights without the prior approval of the circuit court ~~or responsible administrative authority~~.

(b) An application under this Act for approval of a transfer of structured settlement payment rights shall be made by the transferee and shall be brought in the circuit court of the county in which the payee is domiciled, except that, if the payee is not domiciled in this State, the application may be filed in the court in this State that approved the structured settlement agreement or in the circuit court of the county in this State in which the structured settlement obligor or annuity issuer has its principal place of business ~~an action was or could have been maintained or before any responsible administrative authority that approved the structured settlement agreement~~.

(c) A hearing shall be held on an application for approval of a transfer of structured settlement payment rights. The payee shall appear in person at the hearing unless the court determines that good cause exists to excuse the payee from appearing. Not less than 20 days prior to the scheduled hearing on an application, the transferee shall file with the court and serve on all interested parties a notice of the proposed transfer and the application, including the information and documentation required under subsection (d) of this Section.

(d) In addition to complying with the other requirements of this Act, the application should include:

(1) the payee's name, age, and county of domicile and the number and ages of the payee's dependents;

(2) a copy of the transfer agreement and disclosure statement;

(3) a description of the reasons why the payee seeks to complete the proposed transfer;

(4) a summary of:

(i) any prior transfers by the payee to the transferee or an affiliate, or through the transferee or an affiliate to an assignee, within the 4 years preceding the date of the transfer agreement and any proposed transfers by the payee to the transferee or an affiliate, or through the transferee or an affiliate to an assignee, applications for approval of which were denied within the 2 years preceding the date of the transfer agreement;

(ii) any prior transfers by the payee to any person or entity other than the transferee or an affiliate or an assignee of a transferee or affiliate within the 3 years preceding the date of the transfer agreement and any prior proposed transfers by the payee to any person or entity other than the transferee or an affiliate or an assignee of a transferee or affiliate, applications for approval which were denied within the one year preceding the date of the current transfer agreement, to the extent that the transfers or proposed transfers

have been disclosed to the transferee by the payee in writing or otherwise are actually known by the transferee;

(5) notification that any interested party is entitled to support, oppose, or otherwise respond to the transferee's application, either in person or by counsel, by submitting written comments to the court or by participating in the hearing; and

(6) notification of the time and place of the hearing and notification of the manner in which and the time by which written responses to the application must be filed, which shall be not less than 5 days prior to the hearing, in order to be considered by the court.

(Source: P.A. 93-502, eff. 1-1-04.)"; and

by replacing line 1 on page 6 through line 6 of page 8 with the following:

"(215 ILCS 153/30)

Sec. 30. General provisions; construction.

(a) The provisions of this Act may not be waived by any payee.

(b) Any transfer agreement entered into on or after the effective date of this Act by a payee who resides in this State shall provide that disputes under the transfer agreement, including any claim that the payee has breached the agreement, shall be determined in and under the laws of this State. No such transfer agreement shall authorize the transferee or any other party to confess judgment or consent to entry of judgment against the payee.

(c) No transfer of structured settlement payment rights shall extend to any payments that are life-contingent unless, prior to the date on which the payee signs the transfer agreement, the transferee has established and has agreed to maintain procedures reasonably satisfactory to the annuity issuer and the structured settlement obligor for (1) periodically confirming the payee's survival, and (2) giving the annuity issuer and the structured settlement obligor prompt written notice in the event of the payee's death.

(d) No payee who proposes to make a transfer of structured settlement payment rights shall incur any penalty, forfeit any application fee or other payment, or otherwise incur any liability to the proposed transferee or any assignee based on any failure of the transfer to satisfy the conditions of this Act.

(e) Nothing contained in this Act shall be construed to authorize any transfer of structured settlement payment rights in contravention of any law ~~or to imply that any transfer under a transfer agreement entered into prior to the effective date of this Act is valid or invalid~~. A court shall not be precluded from hearing an application for approval of a transfer of payment rights under a structured settlement where the terms of the structured settlement prohibit sale, assignment, or encumbrance of such payment rights, nor shall the parties to the settlement be precluded from waiving or asserting their rights under those terms. The court hearing an application for approval of a transfer of payment rights under a settlement shall have authority to rule on the merits of the application and any objections to the application.

(f) Compliance with the requirements set forth in Section 10 of this Act and fulfillment of the conditions set forth in Section 15 of this Act shall be solely the responsibility of the transferee in any transfer of structured settlement payment rights, and neither the structured settlement obligor nor the annuity issuer shall bear any responsibility for, or any liability arising from, non-compliance with those requirements or failure to fulfill those conditions.

(g) Following issuance of a court order approving a transfer of structured settlement payment rights under this Act, the structured settlement obligor and annuity issuer may rely on the court order in redirecting future structured settlement payments to the transferee or an assignee in accordance with the order.

(h) The changes made to this Section by this amendatory Act of the 99th General Assembly are declarative of existing law.

(Source: P.A. 93-502, eff. 1-1-04.)"; and

on page 8, by replacing lines 11 through 17 with the following:

"the effective date of this Act, including any transfer in which the structured settlement obligor and annuity issuer have affirmatively waived, or have not objected to the transfer based upon, the terms of the settlement prohibiting sale, assignment, or encumbrance of the payee's structured settlement payment rights. The changes made in this".

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

On motion of Senator Lightford, **Senate Bill No. 1335** having been printed, was taken up, read by title a second time.

Committee Amendment No. 1 was postponed in the Committee on Judiciary.

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

**AMENDMENT NO. 2 TO SENATE BILL 1335**

AMENDMENT NO. 2. Amend Senate Bill 1335 by replacing everything after the enacting clause with the following:

"Section 5. The Abused and Neglected Child Reporting Act is amended by changing Sections 7.8 and 7.14 as follows:

(325 ILCS 5/7.8) (from Ch. 23, par. 2057.8)

Sec. 7.8. Upon receiving an oral or written report of suspected child abuse or neglect, the Department shall immediately notify, either orally or electronically, the Child Protective Service Unit of a previous report concerning a subject of the present report or other pertinent information. In addition, upon satisfactory identification procedures, to be established by Department regulation, any person authorized to have access to records under Section 11.1 relating to child abuse and neglect may request and shall be immediately provided the information requested in accordance with this Act. However, no information shall be released unless it prominently states the report is "indicated", and only information from "indicated" reports shall be released, except that information concerning pending reports may be released pursuant to Sections 7.14 and 7.22 of this Act to the attorney or guardian ad litem appointed under Section 2-17 of the Juvenile Court Act of 1987 and to any person authorized under paragraphs (1), (2), (3) and (11) of Section 11.1. In addition, State's Attorneys are authorized to receive unfounded reports (i) for prosecution purposes related to the transmission of false reports of child abuse or neglect in violation of subsection (a), paragraph (7) of Section 26-1 of the Criminal Code of 2012 or (ii) for the purposes of screening and prosecuting a petition filed under Article II of the Juvenile Court Act of 1987 alleging a subsequent allegation of abuse or neglect relating to the same child, sibling of the child, or the same perpetrator, and attorneys and guardians ad litem appointed under Article II of the Juvenile Court Act of 1987 shall receive the reports set forth in Section 7.14 of this Act in conformance with paragraph (19) of Section 11.1 and Section 7.14 of this Act. The names and other identifying data and the dates and the circumstances of any persons requesting or receiving information from the central register shall be entered in the register record.

(Source: P.A. 97-1150, eff. 1-25-13; 98-807, eff. 8-1-14; revised 11-25-14.)

(325 ILCS 5/7.14) (from Ch. 23, par. 2057.14)

Sec. 7.14. All reports in the central register shall be classified in one of three categories: "indicated", "unfounded" or "undetermined", as the case may be. Prior to classifying the report, the person making the classification shall determine whether the child named in the report is the subject of an action under Article II of the Juvenile Court Act of 1987. If the child is the subject of an action under Article II of the Juvenile Court Act of 1987 and the Department intends to classify the report as indicated, the Department shall, within 45 days of classification of the report, transmit a copy of the report to the attorney or guardian ad litem appointed for the child under Section 2-17 of the Juvenile Court Act of 1987. If the child is the subject of an action under Article II of the Juvenile Court Act of 1987 and the Department intends to classify the report as unfounded, the Department shall, within 45 days of deciding its intent to classify the report as unfounded, transmit a copy of the report and written notice of the Department's intent to the attorney or guardian ad litem appointed for the child under Section 2-17 of the Juvenile Court Act of 1987. All information identifying the subjects of an unfounded report shall be expunged from the register forthwith, except as provided in Section 7.7. Unfounded reports may only be made available to the Child Protective Service Unit when investigating a subsequent report of suspected abuse or maltreatment involving a child named in the unfounded report; and to the subject of the report, provided the Department has not expunged the file in accordance with Section 7.7. The Child Protective Service Unit shall not indicate the subsequent report solely based upon the existence of the prior unfounded report or reports. Notwithstanding any other provision of law to the contrary, an unfounded report shall not be admissible in any judicial or administrative proceeding or action except for the purpose of prosecuting a petition filed under Article II of the Juvenile Court Act of 1987 alleging a subsequent allegation of abuse or neglect relating to the same child, sibling of the child, or the same perpetrator. Identifying information on all other records shall be removed from the register no later than 5 years after the report is indicated. However, if another report is received involving the same child, his sibling or offspring, or a child in the care of the persons responsible for the child's welfare, or involving the same alleged offender, the identifying information may be maintained in the register until 5 years after the subsequent case or report is closed.

Notwithstanding any other provision of this Section, identifying information in indicated reports involving serious physical injury to a child as defined by the Department in rules, may be retained longer than 5 years after the report is indicated or after the subsequent case or report is closed, and may not be removed from the register except as provided by the Department in rules. Identifying information in indicated reports involving sexual penetration of a child, sexual molestation of a child, sexual exploitation of a child, torture of a child, or the death of a child, as defined by the Department in rules, shall be retained for a period of not less than 50 years after the report is indicated or after the subsequent case or report is closed.

For purposes of this Section "child" includes an adult resident as defined in this Act.
(Source: P.A. 97-333, eff. 8-12-11; 98-453, eff. 8-16-13; 98-807, eff. 8-1-14; revised 11-25-14.)".

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

On motion of Senator Manar, **Senate Bill No. 1354** having been printed, was taken up, read by title a second time.

Floor Amendment No. 1 was referred to the Committee on Public Health earlier today.

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

On motion of Senator Hastings, **Senate Bill No. 1374** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Bennett, **Senate Bill No. 1393** having been printed, was taken up, read by title a second time.

Committee Amendment No. 1 was held in the Committee on Assignments.

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

On motion of Senator Luechtefeld, **Senate Bill No. 1458** having been printed, was taken up, read by title a second time.

Floor Amendment No. 1 was held in the Committee on State Government and Veterans Affairs.

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

On motion of Senator Bush, **Senate Bill No. 1466** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1466**

AMENDMENT NO. 1. Amend Senate Bill 1466 by replacing everything after the enacting clause with the following:

"Section 1. This Act may be referred to as Lali's Law.

Section 5. The Pharmacy Practice Act is amended by adding Section 19.1 as follows:
(225 ILCS 85/19.1 new)
Sec. 19.1. Dispensing naloxone antidotes.

(a) Due to the recent rise in opioid-related deaths in Illinois and the existence of an opioid antidote that can reverse the deadly effects of overdose, the General Assembly finds that in order to avoid further loss where possible, it is responsible to allow greater access of such an antidote to those populations at risk of overdose.

(b) Notwithstanding any general or special law to the contrary, a licensed pharmacist may dispense an opioid antagonist in accordance with written, standardized procedures or protocols developed by the Department with the Department of Public Health and the Department of Human Services, if such procedures or protocols are filed at the pharmacist's place of practice and with the Board before implementation.

(c) A health care practitioner may prescribe naloxone antidotes in the name of a licensed pharmacist for use in accordance with this Act, and pharmacists may dispense opioid antidotes pursuant to a prescription issued in the name of an authorized entity. Such prescriptions shall be valid for a period of 2 years.

(d) Before dispensing an opioid antidote pursuant to this Section, a pharmacist shall complete a training program approved by the Department of Human Services pursuant to Section 5-23 of the Alcoholism and Other Drug Abuse and Dependency Act. The training program shall include, but not be limited to, proper documentation and quality assurance.

(e) For the purpose of this Section:

"Health care practitioner" means a physician licensed to practice medicine in all its branches, dentist, veterinarian, podiatric physician, optometrist, physician assistant, or an advanced practice nurse.

"Opioid antidote" means a dose of naloxone hydrochloride or any other similarly acting and equally safe drug approved by the United States Food and Drug Administration.

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

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

On motion of Senator Cunningham, **Senate Bill No. 1487** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1487**

AMENDMENT NO. 1. Amend Senate Bill 1487 as follows:

on page 1, on lines 16 and 17, by replacing "2 years after the date of recordation of the notice of foreclosure" with "on the date of the court order confirming the judicial sale of the property pursuant to a judgment of foreclosure"; and

on page 2, line 19, after "submission." by inserting "A unit of local government shall not be required to obtain a certified court order in accordance with this subsection in order to record a document that is the subject of a foreclosure action."; and

on page 3, by replacing lines 4 through 8 with "foreclosure.".

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

On motion of Senator Bertino-Tarrant, **Senate Bill No. 1506** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Syverson, **Senate Bill No. 1554** having been printed, was taken up, read by title a second time.

Committee Amendment No. 1 was held in the Committee on Licensed Activities and Pensions.

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

On motion of Senator Collins, **Senate Bill No. 1591** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1591**

AMENDMENT NO. 1. Amend Senate Bill 1591 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 27A-7 as follows:

(105 ILCS 5/27A-7)

Sec. 27A-7. Charter submission.

(a) A proposal to establish a charter school shall be submitted to the local school board and the State Board for certification under Section 27A-6 of this Code in the form of a proposed contract entered into between the local school board and the governing body of a proposed charter school. The charter school proposal shall include:

(1) The name of the proposed charter school, which must include the words "Charter School".

(2) The age or grade range, areas of focus, minimum and maximum numbers of pupils to be enrolled in the charter school, and any other admission criteria that would be legal if used by a school district.

(3) A description of and address for the physical plant in which the charter school will be located; provided that nothing in the Article shall be deemed to justify delaying or withholding favorable action on or approval of a charter school proposal because the building or buildings in which the charter school is to be located have not been acquired or rented at the time a charter school proposal is submitted or approved or a charter school contract is entered into or submitted for certification or certified, so long as the proposal or submission identifies and names at least 2 sites that are potentially available as a charter school facility by the time the charter school is to open.

(4) The mission statement of the charter school, which must be consistent with the General Assembly's declared purposes; provided that nothing in this Article shall be construed to require that, in order to receive favorable consideration and approval, a charter school proposal demonstrate unequivocally that the charter school will be able to meet each of those declared purposes, it being the intention of the Charter Schools Law that those purposes be recognized as goals that charter schools must aspire to attain.

(5) The goals, objectives, and pupil performance standards to be achieved by the charter school.

(6) In the case of a proposal to establish a charter school by converting an existing public school or attendance center to charter school status, evidence that the proposed formation of the charter school has received the approval of certified teachers, parents and guardians, and, if applicable, a local school council as provided in subsection (b) of Section 27A-8.

(7) A description of the charter school's educational program, pupil performance standards, curriculum, school year, school days, and hours of operation.

(8) A description of the charter school's plan for evaluating pupil performance, the types of assessments that will be used to measure pupil progress towards achievement of the school's pupil performance standards, the timeline for achievement of those standards, and the procedures for taking corrective action in the event that pupil performance at the charter school falls below those standards.

(9) Evidence that the terms of the charter as proposed are economically sound for both the charter school and the school district, a proposed budget for the term of the charter, a description of the manner in which an annual audit of the financial and administrative operations of the charter school, including any services provided by the school district, are to be conducted, and a plan for the displacement of pupils, teachers, and other employees who will not attend or be employed in the charter school.

(10) A description of the governance and operation of the charter school, including the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school.

(11) An explanation of the relationship that will exist between the charter school and its employees, including evidence that the terms and conditions of employment have been addressed with affected employees and their recognized representative, if any. However, a bargaining unit of charter school employees shall be separate and distinct from any bargaining units formed from employees of a school district in which the charter school is located.

(12) An agreement between the parties regarding their respective legal liability and applicable insurance coverage.

(13) A description of how the charter school plans to meet the transportation needs of its pupils, and a plan for addressing the transportation needs of low-income and at-risk pupils.

(14) The proposed effective date and term of the charter; provided that the first day of the first academic year shall be no earlier than August 15 and no later than September 15 of a calendar year, and the first day of the fiscal year shall be July 1.

(14.5) Disclosure of any known active civil or criminal investigation by a local, state, or federal law enforcement agency into an organization submitting the charter school proposal or a criminal investigation by a local, state, or federal law enforcement agency into any member of the governing body of that organization. For the purposes of this subdivision (14.5), a known investigation means a request for an interview by a law enforcement agency, a subpoena, an arrest, or an indictment. Such disclosure is required for a period from the initial application submission through 10 business days prior to the authorizer's scheduled decision date.

(15) Any other information reasonably required by the State Board of Education.

(b) A proposal to establish a charter school may be initiated by individuals or organizations that will have majority representation on the board of directors or other governing body of the corporation or other discrete legal entity that is to be established to operate the proposed charter school, by a board of education or an intergovernmental agreement between or among boards of education, or by the board of directors or other governing body of a discrete legal entity already existing or established to operate the proposed charter school. The individuals or organizations referred to in this subsection may be school teachers, school administrators, local school councils, colleges or universities or their faculty members, public community colleges or their instructors or other representatives, corporations, or other entities or their representatives. The proposal shall be submitted to the local school board for consideration and, if appropriate, for development of a proposed contract to be submitted to the State Board for certification under Section 27A-6.

(c) The local school board may not without the consent of the governing body of the charter school condition its approval of a charter school proposal on acceptance of an agreement to operate under State laws and regulations and local school board policies from which the charter school is otherwise exempted under this Article.

(Source: P.A. 98-739, eff. 7-16-14; 98-1048, eff. 8-25-14; revised 10-1-14.)

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

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

On motion of Senator Kotowski, **Senate Bill No. 1596** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1596**

AMENDMENT NO. 1. Amend Senate Bill 1596 by replacing everything after the enacting clause with the following:

"Section 5. The Counties Code is amended by adding Section 3-5048 as follows:

(55 ILCS 5/3-5048 new)

Sec. 3-5048. Will repository.

(a) As used in this Section:

"Depositor" means an attorney licensed or formerly licensed to practice in the State of Illinois, the attorney's representative, the guardian for the attorney, the personal representative of the attorney's decedent's estate, or the testator.

"Depositor affidavit" means an affidavit signed by a non-testator in which the depositor affirms he or she is authorized to submit a registration form and will for scanning on behalf of the testator.

"Testator" means a person who executed a will, other than as a witness or official to whom acknowledgment of signing was given.

"Will" refers to an original:

(1) will;

(2) codicil;

(3) will and one or more codicils;

(4) trust;

(5) trust and one or more trust amendments; or

(6) any other attachments, addendums, or other related documents to items (1) through (5).

(b) If a county recorder's office maintains a computer system with the capability of scanning and securely storing electronic image files and corresponding index information, the county recorder may implement a county will repository pursuant to this Section to privately store electronic copies of wills. If a county recorder implements a will repository, they shall create a registration form to be signed by the testator which:

(1) states the testator's full first, middle, and last name and all previous names by which the testator may have been known;

(2) states the testator's date of birth and last four digits of the testator's Social Security number;

(3) states the testator's current address;

(4) affirms that the document being presented to the county recorder is the testator's will;

(5) lists the full names of up to 10 individuals to whom the county recorder is authorized to deliver the will upon the death of the testator and a space to indicate if there are additional names attached. The county recorder shall prepare a form addendum for attachment to the registration form for the testator to list additional full names in addition to the 10 individuals listed on the registration form. The addendum shall contain a disclaimer that only individuals listed on the registration form or addendum are eligible to retrieve a copy of the will without a court order;

(6) has a section reserved for county recorder office staff where the employee accepting the document will write the name of the testator, name of the depositor, date of deposit, confirmation that photo identification was inspected, and a space to indicate the employee name or identification number;

(7) has a blank 3 inch by 5 inch section in the upper right corner of the front side to affix a unique document number, date and time of deposit, and amount of recording fee; and

(8) has the option to include the location of the original signed copy of the will.

(c) If a county has created a will repository, a depositor may present a will for scanning into the will repository if he or she presents a signed and completed registration form as described in subsection (b). If a depositor is not the testator, the county recorder may require proof of authority to register the will for scanning including requiring a depositor affidavit to be completed. A will shall only be accepted for scanning if it is the original signed will.

(d) The county recorder shall collect a fee of $25 for each scanning of a will of up to 10 pages and may charge an additional $1 for each page above 10 pages. The registration form and depositor affidavit, if any, shall not be counted when determining the page count for determining fees. The county recorder shall not collect a separate fee for additional documents concurrently deposited in relation to a single testator or for a single joint will prepared for a husband and wife. Fees collected under this subsection shall be deposited into the recorder's document storage fund as set up by the county treasurer pursuant to Section 3-5018 of the Counties Code.

(e) Upon receipt of a will under this Section, the county recorder shall:

(1) provide the depositor with a receipt for the registration form and will listing the date and time of filing and the unique document number assigned to the documents;

(2) scan in, electronically store, and electronically affix a unique document number, date and time of deposit, and amount of recording fee in the upper right corner of the registration form;

(3) scan in and electronically store a copy of the depositor affidavit and will including electronically affixing the unique document number and date of recording on each page of the will;

(4) return the original signed registration form, depositor affidavit, and will to the depositor after scanning in and electronically storing the registration form, depositor affidavit, and will pursuant to items (2) and (3) of this subsection;

(5) index the will alphabetically by the name of the testator, by the previous names by which the testator may have been known, by the date of registration of the will, by the names of persons on the registration form or addendum who are eligible to retrieve a copy, and by the unique document number; and

(6) upon request and payment of the recorder's non-certified copy charge, provide to the testator a non-certified copy of the registration form, depositor affidavit, and will with the electronically affixed unique document number with a maximum fee of $1 per page.

(f) A registration form, depositor affidavit, and will scanned or executed under this Section are not public records. The indexes created under item (5) of subsection (e) are not public records.

(g) During the testator's lifetime, the county recorder shall:

(1) keep the electronic images of the registration form, depositor affidavit, and will in a secure database not available to the public with access limited to recorder office staff necessary for the operation of the repository; and

(2) deliver a certified copy upon request to:

(i) the testator;

(ii) a person authorized by the testator, in a writing other than the registration form or addendum, to receive a copy of the will; or

(iii) a person, entity, court, or government agency authorized to receive a certified copy pursuant to an order entered by a court of competent jurisdiction.

(h) If the county recorder has custody of a scanned copy of the will after the death of the testator and is notified of the death of the testator by a person to whom the recorder is authorized to deliver a copy of the will in the registration form by presenting a certified copy of the testator's death certificate or by a certified copy of an order of court determining the testator to be deceased, upon receipt of payment of the recorder's fee for certified copies, the county recorder shall promptly deliver a certified copy to the person or clerk of the circuit court of the county in which the probate of the testator's will may occur as determined under

Section 5-1 of the Probate Act of 1975. Copies of the registration form or depositor affidavit shall not be provided to any retriever unless so ordered by a court.

(i) Upon inquiry by a person or entity identified in paragraph (2) of subsection (g) or upon inquiry of any person presenting a certified copy of an order of a court requesting documents scanned under this Section, the county recorder shall inform the person whether the name of the relevant testator appears in the county recorder's index of the will repository. If an inquiry is made for a testator that is not found in the database, or if the inquiry is made by someone not listed as eligible to retrieve a copy, the recorder's office staff may not confirm or deny the existence of documents held under this Section.

(j) The county recorder may destroy the scanned copy of the registration form, depositor affidavit, and will scanned under this Section if:

(1) the county recorder has not received notice of the death of the testator; and

(2) at least 100 years have passed since the date the will was scanned into the repository.

(k) The county recorder may use fees generated under this Section for the operational expenses of the will repository and for advertising the will repository.

(l) If a testator desires to remove a will from the will repository, or to replace a will, he or she must fill out a removal affidavit proscribed by the recorder's office that affirms his or her desire to remove the will and provide satisfactory identification to confirm he or she is the testator. If the request is to replace a will with a new will, the scanned copy of the will must first be removed using a removal affidavit and the testator or depositor must submit a new registration form and will following the repository guidelines as described in this Section and pay the required fees. There shall be no fee for removing a will scanned under this Section.

(m) Recorder office staff may refuse, without liability, to store a copy of a will if the will presented for scanning is illegible, unable to be imaged, if margins are too small for the unique document number or date to appear on each page, or the will appears to not be an original signed document. Wills to be scanned under this Section must be submitted in person and may not be submitted by electronic means. Recorder office staff may not be held liable, either in their personal or official capacities, for any error or omission in the performance of duties related to this Section except for willful or wanton misconduct.

(n) Recorder office staff may request to inspect and copy any identification documents deemed necessary to prove the identity of anyone seeking to register or retrieve a copy of a document under this Section and may refuse service until satisfactory determination of identity is made.

(o) Registration forms, depositor affidavits, and wills scanned under this Section are exempt from state and county fees related to the Rental Housing Support Program Act.".

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

On motion of Senator Harmon, **Senate Bill No. 1625** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1625**

AMENDMENT NO. 1. Amend Senate Bill 1625 on page 28, immediately below line 23, by inserting the following:

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

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

On motion of Senator Steans, **Senate Bill No. 1673** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator T. Cullerton, **Senate Bill No. 1684** having been printed, was taken up, read by title a second time.

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

**AMENDMENT NO. 1 TO SENATE BILL 1684**

AMENDMENT NO. 1. Amend Senate Bill 1684 as follows:

on page 2, by replacing lines 9 and 10 with the following:

"(3) A representative of PANDAS/PANS Advocacy & Support."; and

on page 4, by replacing lines 3 through 5 with the following:

"General Assembly. Members shall receive no compensation for their services.".

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

On motion of Senator Kotowski, **Senate Bill No. 1707** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Althoff, **Senate Bill No. 1739** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Althoff, **Senate Bill No. 1741** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Althoff, **Senate Bill No. 1743** having been printed, was taken up, read by title a second time and ordered to a third reading.

**CONSIDERATION OF RESOLUTION ON SECRETARY'S DESK**

Senator Kotowski moved that **Senate Resolution No. 149**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Kotowski moved that Senate Resolution No. 149 be adopted.

The motion prevailed.

And the resolution was adopted.

**MESSAGES FROM THE PRESIDENT**

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

JOHN J. CULLERTON
SENATE PRESIDENT

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

March 25, 2015

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

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Daniel Biss to temporarily replace Senator Napoleon Harris as a member of the Senate Licensed Activities Committee. This appointment will automatically expire upon adjournment of the Senate Licensed Activities Committee.

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

Senate President

cc: Senate Minority Leader Christine Radogno

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

JOHN J. CULLERTON
SENATE PRESIDENT

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

March 25, 2015

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

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Linda Holmes to temporarily replace Senator Martin Sandoval as a member of the Senate Licensed Activities Committee. This appointment will automatically expire upon adjournment of the Senate Licensed Activities Committee.

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

cc: Senate Minority Leader Christine Radogno

At the hour of 1:00 o'clock p.m., the Chair announced the Senate stand adjourned until Thursday, March 26, 2015, at 12:00 o'clock noon.