



# FIRST READING



ILLINOIS GENERAL ASSEMBLY LEGISLATIVE RESEARCH UNIT

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## Funding Public Schools: The School Aid Formula

The state school aid formula determines how much each school district gets in general state aid—the largest single type of state aid to schools. The General Assembly appropriated \$4.5 billion for general state aid for fiscal year 2015. A further \$5.2 billion comes from state or federal grants for adult, special, vocational, bilingual, and gifted education; school reform; assessments; student health and safety; student lunches and transportation; and related purposes.

The general state aid formula starts with the “Foundation Level”—an amount set by the General Assembly and considered sufficient for basic instruction of one student—which is \$6,119 this year. A district that has an adequate property base, and levies taxes at the level recommended by the state, should collect that much per student. But some districts have far less taxable property per student than others, and thus at reasonable tax rates cannot collect the Foundation Level per student. General state aid helps adjust for such differences in taxable property among districts. It also gives districts an incentive to tax their own residents, by not reducing their state aid if they levy property taxes at rates above those recommended by the School Code.

The basic elements of the formula are explained below. Appendix A on page 3 illustrates how the formula works.

### *Average Daily Attendance*

This is a crucial variable in determining general state aid. Each district is allowed to figure its ADA for two time periods and report whichever is higher: (1) monthly average attendance in the best 3 months in the preceding school year, or (2) monthly average



attendance in the best 3 months in each of the last 3 school years.

### *Available Local Resources*

This number is determined by multiplying a district’s total equalized assessed value (EAV) by its “Calculation Rate”—the minimum rate at which the state has determined that a district of that type should be taxing. Those rates are 1.05% for a secondary school district, 2.3% for an elementary district, and 3% for a unit district. Use of Calculation Rates in the aid formula encourages districts to levy tax rates at least that high. If a district levies below its Calculation Rate, its property tax collections will be less than those used to calculate its Available Local Resources, and state aid will not make up the difference. Thus the district’s funding will fall below the Foundation Level.

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## Funding Public Schools: The School Aid Formula

(continued from p. 1)

Districts subject to the Property Tax Extension Limitation Law (PTELL), which affects how much revenue many districts can collect from property taxes, may calculate their EAVs differently than other districts for school aid formula purposes. The calculation is intended as an approximate adjustment for the PTELL limits on local property tax increases.

A district's EAV is multiplied by its Calculation Rate to determine how much property tax revenue it should collect each year. That amount, plus its Corporate Personal Property Replacement Tax revenue, equals its Available Local Resources. If a district's Available Local Resources per student are less than the Foundation Level, state aid makes up at least part of the difference.

### *Distribution of Funds*

In districts where Available Local Resources per student are less than 93% of the Foundation Level (currently 616 districts), general state aid is equal to the difference between the Foundation Level and Available Local Resources per student in Average Daily Attendance.

Districts whose Available Local Resources are between 93% and 175% of the Foundation Level (currently 177) receive state aid under a complex formula that provides between 5% and 7% of the Foundation Level per student.

Districts with Available Local Resources over 175% of the Foundation Level (currently 64) get only

“flat grants” of \$218 per student.

### *Supplemental General State Aid*

Districts where low-income students are up to 15% of enrollment get \$355 per low-income student each year in supplemental aid. Districts in which over 15% of students are low-income get payments under a formula that results in greater payments per low-income student if the percentage of low-income students in a district rises.

### *Funding the Formula: 1981-2015*

Spending to fund the formula rose about 202.5% from the 1980-81 to the 2014-15 school years—from \$1.495 billion to \$4.523 billion. (These numbers have not been adjusted for inflation.) The Foundation Level rose about 318% over the same period, from \$1,464 to \$6,119. Annual rates of increase varied from 1.1% to 34.9%. The Foundation Level has not changed since 2010. However, due to a tight state budget, only 89% of state aid has been paid in recent years. See Appendix B on page 4.

### *Other School Aid Reimbursements*

School districts receive categorical grants for various other programs, such as adult, bilingual, gifted, and vocational education; transportation; and lunches. None of these categorical grants are part of a district's general state aid entitlement.

### *Proposals to Change the Formula*

Senate Bill 1 (Manar-Martinez-Noland-Koehler-Stadelman et

al.), as proposed to be amended by Senate Amendment 1 (Manar), would change the way schools are funded by using a single formula to distribute general state aid and most categorical grants. Each district's Foundation Level (starting at \$6,119) would be weighted based on its numbers of students in several categories, such as low-income, limited English-speaking, disabled, gifted, and eligible for transportation funds among others. Districts with higher weights would get more funds. The formula would also use a “regionalization” factor, helping districts whose salaries and costs of living are higher (based on an index of earnings of college graduates who are not teachers, showing what comparably educated persons in the area are earning). The stated aim of the proposed formula is to distribute funds based more on need than does the current formula. The bill is in the Senate Executive Committee.

Two other bills—H.B. 4022 (Welch) and S.B. 1403 (Barickman-Hastings-Manar-Bivins-Righter et al.)—propose to create a “Professional Judgment Panel” that would be charged with recommending a fair school aid formula to the General Assembly. Neither bill had been assigned to a substantive committee at press time. □

*Sarah E. Barlow*  
*Senior Research Associate*

*This article is based on the Legislative Research Unit's just-completed Research Response entitled “The School Aid Formula: A Primer Updated,” which is available to legislators and their staffs.*

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[http://www.ilga.gov/commission/lru/lru\\_home.html](http://www.ilga.gov/commission/lru/lru_home.html)

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## Appendix A: General State Aid Calculation for Two Hypothetical K-12 Districts Using Current Formula

	<i>District A</i>	<i>District B</i>
District equalized assessed valuation (DEAV)	\$75,000,000	\$150,000,000
Calculation rate	3.00%	3.00%
Average daily attendance (ADA)	1,500	1,500
Corporate Personal Property Tax (CPPRT) revenue	\$50,000	\$100,000
Foundation Level per student	\$6,119	\$6,119

Each district's available local resources would be calculated as follows:

DEAV	\$75,000,000	\$150,000,000
times calculation rate	<u>x 0.03</u>	<u>x 0.03</u>
equals property tax collections	2,250,000	4,500,000
plus CPPRT	<u>+ 50,000</u>	<u>+ 100,000</u>
equals total local resources	\$2,300,000	\$4,600,000

Available local resources per student would be calculated as follows:

Total local resources	\$2,300,000	\$4,600,000
divided by ADA	<u>÷ 1,500</u>	<u>÷ 1,500</u>
equals available local resources per student	\$1,533	\$3,067

Each district's general state aid entitlement would be calculated as follows:

Foundation Level	\$6,119	\$6,119
minus available local resources per student	<u>- 1,533</u>	<u>- 3,067</u>
equals state aid per student	\$4,586	\$3,052
times ADA	<u>x 1,500</u>	<u>x 1,500</u>
equals total general state aid entitlement	<b>\$6,879,000</b>	<b>\$4,578,000</b>

Explanation:

If District A levies taxes at the calculation rate (3.00%), it should collect \$1,533 per student in local taxes, and get \$4,586 in general state aid per student to reach the Foundation Level.

If District B also levies at 3.00%, it should collect \$3,067 per student in local taxes and will get \$3,052 in general state aid per student to reach the Foundation Level.

Source: LRU calculations based on 105 ILCS 5/18-8.05.

## Appendix B: Statewide General State Aid Payments, 1980-2015

<i>School year</i>	<i>Amount (billions)*</i>	<i>% change</i>	<i>Cumulative % change</i>
1980-81	\$1.495	—	—
1981-82	1.517	1.5%	1.5%
1982-83	1.382	-8.9	-7.6
1983-84	1.437	4.0	-3.9
1984-85	1.476	2.7	-1.3
1985-86	1.676	13.6	12.1
1986-87	1.819	8.5	21.7
1987-88	1.757	-3.4	17.5
1988-89	1.823	3.7	21.9
1989-90	2.073	13.7	38.7
1990-91	2.106	1.6	40.9
1991-92	2.110	0.2	41.1
1992-93	2.121	0.5	41.9
1993-94	2.186	3.1	46.2
1994-95	2.285	4.5	52.8
1995-96	2.326	1.8	55.6
1996-97	2.378	2.2	59.1
1997-98	2.471	3.9	65.3
1998-99	2.922	18.3	95.5
1999-00	2.983	2.1	99.5
2000-01	2.995	0.4	100.3
2001-02	3.232	7.9	116.2
2002-03	3.142	-2.8	110.2
2003-04	3.446	9.7	130.5
2004-05	3.682	6.8	146.3
2005-06	3.896	5.8	160.6
2006-07	4.127	5.9	176.1
2007-08	4.424	7.2	195.9
2008-09	4.582 <sup>†</sup>	3.6	206.5
2009-10	4.600 <sup>Δ</sup>	0.4	207.7
2010-11	4.600	0.0	207.7
2011-12	4.448	-3.3	197.5
2012-13	4.287	-3.6	186.8
2013-14	4.442 <sup>‡</sup>	3.6	197.1
2014-15	4.523 <sup>‡</sup>	1.8	202.5

\* Excludes amounts for “hold harmless” grants (which make up the shortfall, if any, between a district’s general state aid for the 1997-98 school year and the amount of aid it receives for the current year).

† Included \$1.039 billion of federal stimulus funds.

Δ Included \$790.8 million of federal stimulus funds.

‡ Amount appropriated; actual spending not yet known.

Sources: Comptroller’s *Illinois Annual Report* for fiscal years 1980 to 1994, and *Detailed Annual Report* for 1995 to 2013; State Board of Education, *Annual Report* for 2003; and Comptroller’s *Appropriations Report* for fiscal years 2014 and 2015.

# States Address Road Funding in Lean Years

Federal aid provides about 25% of road and transit funding nationwide. But the main source for those funds, the Highway Trust Fund, is running dry. That fund is supported primarily by federal motor fuel taxes (18.4¢ per gallon on gasoline and 24.4¢ per gallon on diesel fuel), which have not kept pace with highway construction and maintenance costs. The rates have not changed since 1993, and Americans are driving less and using more efficient transportation—so federal, and even state, motor fuel tax revenues are falling short. The U.S. Department of Transportation has already begun pro-rating funds to states based on how much is available.

In response to declining funds from traditional sources in the last few years, states have taken a number of actions that are summarized below. The summaries are based mainly on databases of the National Conference of State Legislatures, and on the states' laws.

## *Motor Fuel Tax Changes*

At least four states (not including those that periodically adjust their motor fuel tax rates) have increased their motor fuel tax rates. Some states adjusted the types of taxes imposed on motor fuels. As examples, Indiana and Maryland imposed a sales tax on fuel based on its retail price. Three states began adjusting their motor fuel tax rates for inflation to increase collections as prices increase. At least 10 states expanded the types of fuels

on which their motor fuel taxes are imposed, such as taxing liquefied or compressed natural gas if used to propel motor vehicles.

## *Transportation Revenue Uses*

A number of states restricted their use of some revenues to transportation purposes. For example, Maryland prohibited Transportation Trust Fund revenues from being transferred to any other state fund unless approved by three-fifths of each legislative house, and required that any such transfer be repaid within 5 years. Some states even allowed non-transportation funds to be used for transportation projects.

## *Sales Tax Rate Changes*

At least seven states raised, added, or redirected sales taxes to fund transportation. For example, Virginia raised its state sales tax rate by 0.3 percentage points and earmarked the increase for transportation; expanded the share of existing sales tax revenues dedicated to transportation; and imposed a 0.7% sales tax in large urban areas to support transportation projects there.

## *User Fee Changes*

At least nine states increased general user fees, such as driver's license fees and vehicle title and registration fees. Since motor



fuel taxes are not imposed (or apply at lower rates) on alternative-fuel vehicles, some states imposed annual registration fees on them.

## *Business Fee Increases*

Six states increased fees for transportation-related businesses, such as vehicle dealers, alternative-fuel retailers, and petroleum dispensing facilities.

## *Local Government Changes*

Declining federal and state transportation funds led some states to expand local governments' ability to raise revenues. Those expansions included giving local governments more authority over transportation spending and giving them more powers to tax for transportation purposes. Also, Vermont allowed its Secretary of Transportation to relinquish control of some state highway sections to local governments.

## *Tolls*

A few states authorized additional toll roads. Florida and Ohio allowed some toll revenues to be used for general highway maintenance and infrastructure.

*(continued on p. 9)*

# Child Immunization Exemptions Come Under Scrutiny

From January 1 to February 20, 2015, 154 people in 17 states and the District of Columbia were reported with measles. Illinois had 14 reported cases. In 2014 a total of 644 U.S. cases were reported, in 27 states.



Measles—a serious and highly contagious viral respiratory disease—was declared eliminated in the U.S. in 2000, but is still common in many parts of the world. An estimated 20 million people get it worldwide per year, and 122,000 die as a result.

Most people getting measles had not been vaccinated against it. Travelers with measles continue to bring it into the U.S., where it can spread after reaching a community where many are unvaccinated. A large 2014 outbreak of some 383 cases in Ohio occurred primarily in unvaccinated Amish communities.

A 2014 study of unvaccinated U.S. residents who had contracted measles found that some 85% had declined vaccination based on religious, philosophical, or personal objections. The other 15% were classified as follows: 6% had missed opportunities for vaccination; 5% were too young to be vaccinated; and in 4% of cases the reason was unknown or the victim was born before 1957 and presumed immune.

The Illinois School Code provides that every child, at or near the time of a required health exam, must present to the school proof of having been immunized against preventable communicable diseases. These diseases include the following, subject to some exceptions: diphtheria, pertussis (whooping cough), tetanus, polio, measles, rubella, mumps, Haemophilus influenzae type b (Hib), hepatitis B, varicella (chickenpox), invasive pneumococcal disease, and meningococcal disease.

Parents and legal guardians who object to immunization on religious grounds need not have their children immunized. Such parents or guardians must present to the local school authority a signed statement, detailing their grounds for objecting. A child may also be exempted from vaccination on medical grounds. If a child's physical condition is such that one or more immunizations should not be administered, the medical professional performing the child's health exam must endorse that fact on the child's examination form.

Every public and nonpublic school must report annually to the State Board of Education how many students have received required immunizations. For students not immunized, it must also report how many were exempted on either religious or medical grounds.

For the 2013-2014 school year, the State Board of Education reported immunization compliance on some 2,269,936 public and private school students. The report shows 44,308 students (2%) as not in compliance with immunization requirements in one or more disease categories. The numbers claiming exemptions for religious reasons ranged from 13,527 for measles to 749 for Hib (which is required for pre-K students only). The number exempted for medical reasons was also highest for measles—4,207. Only 163 (pre-K) students got medical exemptions from Hib vaccination. □

*Robert L. Bayless  
Senior Staff Scientist*

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# Ebola: A Continuing Concern

Ebola (named for the Ebola River, near where it was first discovered in 1976 in the present-day Democratic Republic of the Congo) is a rare and deadly disease caused by the Ebola virus. A current epidemic, the largest in history, affects several countries in West Africa. By mid-February 2015, some 24,385 cases had been reported in that outbreak, resulting in 10,019 deaths. In the absence of effective treatments, the current emphasis is on isolating patients to prevent the spread of the virus. Supportive measures enable some patients to survive.

The overwhelming majority of Ebola cases have occurred in Africa. The first laboratory-confirmed case of Ebola diagnosed in the U.S. was in a person who traveled from West Africa to Dallas. He had no symptoms in Africa, but developed symptoms 4 days after arrival in this country and later died. Two nurses who treated him were diagnosed with Ebola but recovered after treatment. A doctor who had returned to New York City from Guinea was the fourth person to be diagnosed in the U.S.; he recovered. Two doctors, an aid worker, and a cameraman who were diagnosed with the infection while in Liberia have overcome it since returning to the U.S.

## *Symptoms*

The incubation period from infection with Ebola virus to onset of symptoms is 2 to 21 days. Humans are not believed to be infectious until they develop symptoms. The first symptoms usually include a sudden onset of fever; fatigue and muscle pain; and severe headache and sore throat. Those are followed by vomiting, diarrhea, skin rash, impaired kidney and liver function, and (in some cases) internal and external bleeding.

## *Transmission*

It is not known how the virus first infects a human at the start of an outbreak. Scientists believe it may occur by contact with an infected animal, such as fruit bats, apes, or monkeys. In humans, Ebola is spread through direct contact with blood or other bodily fluids of a person with Ebola; contaminated objects, such as medical equipment, clothes, or bedding; or infected animals. Ebola is **not** spread through the air or by water—or, in general, by food. In Africa it may be spread by handling wild animals hunted for food, and contact with infected bats. There is no evidence that it is spread by mosquitoes or other insects.

## *Treatment and Prevention*

No medicine approved by the Food and Drug Administration is available to treat Ebola. A number of other potential treatments are being evaluated, and two potential vaccines are undergoing

human safety testing. Some basic practices, if begun early, can significantly improve survival chances: providing intravenous and oral fluids, maintaining oxygenation and monitoring blood pressure, and treating other infections if they occur.

Prevention focuses on avoiding contact with the virus, frequent hand washing, avoiding bush meat, and using extreme caution when handling the remains of persons who have died from Ebola, since they can remain contagious for some time. The Centers for Disease Control and Prevention (CDC) has taken a number of actions to contain the outbreak, including heightened screening at five large U.S. airports for all U.S.-bound travelers who have been in some West African countries. In October 2014, then-Governor Quinn ordered the Illinois Department of Public Health (IDPH) to require a 21-day home quarantine for any returning traveler who has had high-risk exposure to Ebola (defined mainly as unprotected contact with a person infected with Ebola or such a person's bodily fluids). As of early March 2015, IDPH reported 13 travelers under active monitoring. IDPH says they have no symptoms and are not believed to pose a risk to the public, but could later develop symptoms that should be evaluated. □

*Robert L. Bayless, Senior Staff Scientist and  
Sarah E. Barlow, Senior Research Associate*

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# Biographies of New Appointees

## New House Members



**Avery Bourne (R-95th, Litchfield)** was appointed in February to replace Representative Wayne Rosenthal, who was appointed Director of the Department of Natural Resources. She is a graduate of Columbia College in Missouri, where she was president of the Student Government Association, and is a law student at Washington University in St. Louis, where she has been a Dean’s Fellowship Scholar. She has worked in the offices of a Missouri state senator and of two members of Congress. Her committee assignments are to the House Agriculture & Conservation; Consumer Protection; Counties & Townships; Transportation: Vehicles & Safety; and Veterans’ Affairs Committees.



**Tim Butler (R-87th, Springfield)** was appointed in March to replace Representative Rich Brauer, who resigned to take a position in the Illinois Department of Transportation. He is a graduate of Eastern Illinois University, and serves on the boards of Downtown Springfield, Inc. and the Dirksen Congressional Center. He has served as district chief of staff to both former Congressman Ray LaHood and current Congressman Rodney Davis. He serves on the House Environment; Museums, Arts, & Cultural Enhancement; Tourism & Conventions; Transportation: Regulation, Roads & Bridges; and Transportation: Vehicles & Safety Committees.

## New Senate Member



**Scott M. Bennett (D-52nd, Urbana)** was appointed in January to replace Senator Michael Frerichs, who had been elected as State Treasurer. He has a B.A. in history from Illinois State University and a J.D. from the University of Illinois College of Law. He has served as an Assistant State’s Attorney in both Champaign and McLean Counties, and currently practices in an Urbana law firm. He is also President of the Urbana Rotary, and co-chairs the United Way’s 2015 “Ready.Set. GROW!” young children’s expo. His committee assignments are to the Senate Agriculture; Appropriations II; Criminal Law; Environment & Conservation; Higher Education; and Labor Committees.



## States Address Road Funding in Lean Years (continued from p. 5)

### *Privatization*

Although public-private partnerships (PPPs) do not necessarily increase transportation funding for public agencies, they generally include private investments, which can increase total revenues available for transportation. At least 15 states, including Illinois, established a new PPP policy that authorizes the Department of Transportation and State Toll Highway Authority to enter into PPPs for transportation projects. Illinois also required that any proceeds of a PPP in which the Department of Transportation participates be deposited into the Road Fund.

### *Other Taxes and Fees*

States have tried other ways of funding transportation, including allowing corporate sponsorship of state transportation-related property; issuing bonds; selling or leasing public property; and redirecting parts of fees already collected to go to transportation

projects. Virginia imposed a congestion relief fee of 0.15% on property transfers in large urban areas. Oregon began a pilot program to allow users to pay 1.5¢ per mile driven in lieu of paying fuel taxes. Idaho and Massachusetts directed a portion of tobacco tax revenues to go to transportation; Pennsylvania allocated some revenues from traffic fines to transportation projects.

### *Potential Funding Sources*

Some potential transportation funding sources that may not have been tried, as suggested by various organizations, are:

1. Congestion pricing (either adjusting tolls on toll highways based on demand, or charging drivers to drive in congested areas).
2. Creating a lottery game with proceeds dedicated to transportation.
3. Imposing a “road frontage fee” based on the concept that new roads increase the value of adjoining property, so a fee could

capture some of that increase in value.

4. Imposing a severance tax on extraction of natural resources.
5. Charging “visitor fees” such as on car rental or overnight lodging in the state.
6. Taxing commercial trucks that use highways, based on the weight of freight carried and distance traveled in the state.

Other small sources of revenue might come from a higher sales tax on vehicle sales and parts; a sales tax on tires; parking space fees; bicycle license fees; using traffic camera fees for transportation; emissions fees; and higher fines for commercial trucks that violate weight limits. □

*Thomas J. Bazan, Assistant Deputy Director for Research and Ashley N. Musser, Research Associate*

*This article is based on the Legislative Research Unit’s Research Response entitled “States’ Transportation Funding Changes” (Oct. 10, 2014).*

## “Laws for Youth” updated

The Legislative Research Unit’s booklet “Laws for Youth” has recently been revised. Legislators whose constituents may have questions about Illinois laws affecting young people can request up to about 25 copies from the Legislative Research Unit, or have more printed by the Legislative Printing Unit. This publication is also available on the Internet at:

[www.ilga.gov/commission/lru/2014LawsforYouth.pdf](http://www.ilga.gov/commission/lru/2014LawsforYouth.pdf)

“Laws for Youth” has nearly 40 pages on laws of interest to young people in 12 categories—including bicycling, driving, alcohol and drug abuse, criminal law, sexual abuse, school, employment, and licensing among others. Over 200 endnotes cite laws and other sources. “Laws for Youth” has been published for over 30 years; this is its 8th edition.

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# Abstracts of Reports Required to be Filed With General Assembly

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

## **Adult Redeploy Illinois Oversight Board**

*Annual report, FY 2012*

Adult Redeploy offers financial incentives to counties implementing community-based plans in lieu of prison for nonviolent crimes. They must agree to a 25% drop in imprisonments (with penalties for not meeting the goal). The 10 fully implemented sites diverted 838 nonviolent offenders, saving \$16.1 million. All sites met or exceeded diversion goals. Sites were added in Crawford and McDonough Counties. (730 ILCS 190/20(e)(2)(I); March 2013, rec'd May 2014, 25 pp. + 8 appendices)

## **Agriculture Dept.**

*Farmland conversion, FY 2012*

State agency purchases or other actions affected 14,307 acres. Department of Commerce and Economic Opportunity converted the most (7,900 acres). Other top converters were Commerce Commission (4,620), Department of Natural Resources (689), and Department of Transportation (559). Lists conversions by county. (505 ILCS 75/6; April 2013, rec'd July 2014, 11 pp.)

## **Auditor General**

*CTA Retiree Health Care Trust, 2014*

Annual review of CTA health-care trust funding showed that projected income plus assets

(\$794.4 million) exceeded projected benefits (\$755.4 million), so no benefit cut or contribution increase was needed. (30 ILCS 5/3-2.3(b); issued & rec'd Dec. 2014, 10 pp. + appendix)

## *State Actuary's Report on pension systems, 2014*

Reports actuarial assumptions and valuations of five state-funded retirement systems. Interest rate and inflation assumptions used to calculate state contributions to all five systems were found reasonable; recommends that boards review interest rate and inflation assumptions annually. Required state contributions are \$3.74 billion to TRS, \$2.04 billion to SERS, \$1.6 billion to SURS, \$132 million to Judges Retirement System, and \$16 million to General Assembly Retirement System—totaling \$7.54 billion. Makes recommendations for each system. (30 ILCS 5/2-8.1(c); Dec. 2014, rec'd Jan. 2015, 162 pp. + appendices)

## **Board of Higher Education**

*Annual report, 2013-2014*

Over 817,500 students were enrolled at 233 Illinois public and private colleges in fall of 2012—down 3% from 2011. Board received \$3.5 billion for FY 2015, up about \$34 million (1%) from FY 2014. It approved 62 applications for new programs at public institutions in FY 2014. FY 2015 contains no new capital projects

for higher education. (110 ILCS 205/9.04; Dec. 2014, rec'd Jan. 2015, 50 pp.)

## *Public university tuition and fee waivers, FYs 2012 and 2013*

Public universities granted 47,988 waivers worth \$415.8 million in FY 2012, and 47,842 waivers worth \$441.6 million in FY 2013. By value, 24.1% of waivers in FY 2013 went to undergraduate and 75.9% to graduate students; and 85.6% of the total were “discretionary” waivers (which go to undergraduates with academic, athletic, or other achievements and to graduate students as teaching and research assistantships). Lists number and value of waivers by university, and purposes, goals, and eligibility criteria for each waiver. (110 ILCS 205/9.29; Dec. 2013, rec'd Jan. 2015, 3 pp. + 3 tables, 2 appendices)

## **Central Management Services Dept.**

*Bilingual needs and pay survey, FY 2014*

Thirty-three state agencies reported a need for bilingual services. Bilingual staff were used in 406,796 cases. Bilingual pay went to 1,781 employees: 1,241 Hispanic, 130 non-Hispanic, 385 sign language, and 25 Braille. (20 ILCS 415/9(6); Dec. 2014, rec'd Jan. 2015, 24 pp.)

## *State Government Suggestion Award Program Board annual report, 2014*

Program board received 7 suggestions; none resulted in monetary awards. The state had total savings of \$566,021 from suggestions to Board since 1993. Board was inactive in 2014 due to vacancies and retirements. (20 ILCS 405/405-130(b); Dec. 2014, rec'd Jan. 2015, 2 pp.)

*State-owned & real surplus property, 2014*

A State Police headquarters in Livingston County and the Singer Mental Health Center, Jacksonville Developmental Center, and DHS Blodgett Land have been or will be offered to local governments. CMS has leased former Mine Rescue Station 245 in LaSalle to Uranich Coal & Oil Company. Tinley Park has pending offer for Tinley Park Mental Health and Howe Development Center. (30 ILCS 605/7.1; Oct. 2014, rec'd Nov. 2014, 1 p. + CD)

**Children and Family Services Dept.**

*Inspector General's Report, FY 2014*

Office of Inspector General (OIG) investigates child deaths and major injuries; investigates public complaints; investigates and prosecutes licensure complaints; helps with criminal history checks; staffs a complaint hotline; acts as ethics officer for DCFS; and reviews and comments on proposed rule changes. In FY 2014, 99 child deaths met criteria for review, leading to 19 full investigations. Hotline took 1,329 calls; 109 were referred to OIG for investigation. Provides death and injury investigation summaries and recommendations, and DCFS responses. Lists recommendations to DCFS, past years' recommendations and status, and summaries of employee discipline. (20 ILCS 505/35.5(h); issued & rec'd Jan. 2015, 282 pp. + 2 appendices)

**Commerce Commission**

*Cable and video services access annual report, 2014*

Addition of Mediacom Illinois and MCC Illinois in 2014 made a total of 5 companies seeking video and cable services authority

since 2007. By late 2013, AT&T offered access to 54% of households in its service area; 29% were low-income. WideOpenWest Illinois offered access to 473,027 households (151,534 low-income). Highland Communication has finished all 3 phases of its designated area and now serves 3,928 households (71%) of its service territory, and reports compliance with 30% low-income service requirement. Neither new provider was required to submit figures. (220 ILCS 5/21-1101(k); issued & rec'd June 2014, 8 pp. + 3 attachments)

**Commerce and Economic Opportunity Dept.**

*Employment Opportunities Grant Program, FY 2014*

The program seeks to help targeted populations (minorities, women, homeless, long-term unemployed, veterans, youth leaving foster care, and ex-offenders) enter building trades, apprenticeships, and/or jobs. Its funding was \$1.25 million. Sixteen applications for FY 2014 were submitted and 14 approved. Gives program highlights and grantee summary. (20 ILCS 605/605-812(f); Dec. 2014, rec'd Jan. 2015, 5 pp.)

*Film Office annual report, 2013*

Gives information on job creation, revenues, and diversity hiring related to Illinois Film Production Tax Credit. In FY 2013, 10,415 jobs were created (excluding vendors) and an estimated \$286 million was spent on Illinois film production. Among crew employees, 23% were nonwhite and 18% were white females. (35 ILCS 16/45(c); undated, rec'd Sept. 2014, 2 pp.)

*High Impact Business designation*  
Hoopeston Wind LLC was designated as a high-impact business, allowing building material sales

[http://www.ilga.gov/commission/lru/lru\\_home.html](http://www.ilga.gov/commission/lru/lru_home.html)

tax exemptions for up to 20 years. (20 ILCS 655/5.5(h); May 2014, rec'd June 2014, 2 pp.)

*Illinois Historic Preservation Tax Credit Pilot Program, 2014*

Program gave the maximum \$10 million state income tax credit for historic rehabilitation of Peoria's Pere Marquette Hotel. Projected economic impact of construction was \$131 million in economic activity and 840 job-years in Peoria. Projected economic impact of operations phase was \$30.8 million in annual economic activity and 250 job-years. (35 ILCS 30/25; issued & rec'd Dec. 2014, 5 pp.)

*State Mandates Catalog update, 2013*

Describes and categorizes 8 state mandates imposed on local governments in 2013: 1 local government organization and structure mandate; 1 due process mandate; 1 service mandate; 1 tax exemption mandate; and 5 personnel mandates. (30 ILCS 805/7(c); undated, rec'd May 2014, 8 pp.)

*Urban Weatherization report, FY 2014*

DCEO weatherization program is designed to increase work opportunities and reduce energy use in low-income households through weatherization. This was the first year with complete staff of trained grant managers. Residential Weatherization Program was successfully implemented. Lists grant amounts and FY 2015 goals. (30 ILCS 738/40-40(h); Dec. 2014, rec'd Jan. 2015, 6 pp.)

**Corrections Dept.**

*Illinois Correctional Industries, FY 2014 report*

Correctional Industries had operating revenue of \$49.6 million and expenses of \$50 million. Its FY 2014 appropriation was \$54.6

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## Abstracts *(continued from p. 11)*

million. It provided inmates 20,083 days of Program Service Credit, up 72% from FY 2013. Of 1,244 jobs available, 818 were filled. Reports sales, production, and job assignments by facility. No recidivism rates since 2006 are available due to database problems. (730 ILCS 5/3-12-11; undated, rec'd Dec. 2014, 22 pp.)

### *Quarterly report, July 2014*

On May 31, 2014 adult facilities had 48,851 residents—52% over rated capacity of 32,077 but 3% below operational capacity of 50,412. Number was projected to rise to 50,302 by June 2015. Most were double-celled (68%) or multi-celled (26%), with approximately 32 square feet of living area each. Adult transition centers held 928 (178 over rated capacity but 30 below bed space). Average ratio of prisoners to security staff was 6.4. Enrollment (unduplicated) in educational and vocational programs was 8,053. No capital projects were funded. (730 ILCS 5/3-5-3.1; July 2014, rec'd Oct. 2014, 12 tables)

### *Sex offender housing, 2014*

Department used one transitional living facility to house sex offenders. Another Chance Ministries, in East St. Louis, housed 49. Gives names and convictions of offenders. (730 ILCS 5/3-17-5(e); undated, rec'd Dec. 2014, 2 pp.)

### *Supplemental Sentence Credit Report, Oct. 2013-Sept. 2014*

Department is required to report how many prisoners received sentence credit for good conduct (and related data). It reports the following for October 2013-September 2014 (classified in the report by specific crime for which

each prisoner was held):

<i>Felony class</i>	<i>No. getting credit</i>	<i>Average credit (days)</i>
X	142	164
1	491	149
2	570	147
3	514	140
4	734	100
<b>Overall</b>	<b>2,451</b>	<b>133</b>

(730 ILCS 5/3-6-3(3.5); undated, rec'd Dec. 2014, 10 pp.)

### **Commission on Government Forecasting & Accountability** *Budget summary, FY 2015*

General Assembly's FY 2015 budget totaled \$69.8 billion, up \$919 million (1.3%) from FY 2014; Governor approved it with no vetoes of operational budget. Of the increase, \$430 million went to Treasurer's Office, \$198 million to Department on Aging, \$190 million to ISBE, and \$88 million to DHFS. There were decreases from both General Funds (-0.4%) and federal funds (-2.2%). Also reports on SERS members by agency, State Employees' Group Insurance, Medicaid, education funding, pension laws, state-funded retirement systems, state debt and credit rating, and special fund transfers. (25 ILCS 155/3(12); Aug. 2014, rec'd Sept. 2014, 312 pp.)

### *Capital Plan Analysis, FY 2015*

Capital budget proposal had \$2.9 billion in new appropriations and \$16.7 billion in re-appropriations. New appropriations were from state revenue funds (\$2.8 billion) and federal or trust funds (\$155.7 million); none from bond funds. No new appropriations were proposed from Transportation A, B, or D bond funds, or coal and energy bond funds. General obligation bond authorization for new projects (except pension

and Medicaid funding bonds) was \$30.8 billion; \$6.1 billion was unissued as of May 8, 2014. Re-funding bond limit was \$4.8 billion; \$1.5 billion was unissued. No debt service projections for FY 2015 were made. Describes current bond topics and bond debt not supported by state. (25 ILCS 155/3(8); May 2014, rec'd June 2014, 71 pp. + 5 appendices)

### *Liabilities of State Employees' Group Health Insurance Program, FY 2015*

Commission projects FY 2015 costs at nearly \$2.7 billion; CMS projected them at \$44.1 million less. Participation is projected at 361,809 in FY 2014 and 360,277 in FY 2015. Projected FY 2015 cost per participant is \$7,352. Payment lags of 294 days for preferred and 420 days for non-preferred providers were not projected to change. (25 ILCS 155/4(b)(2); March 2014, rec'd April 2014, 20 pp. + 4 appendices)

### *Wagering in Illinois: 2014 update*

State tax revenues from wagering in FY 2014 were \$1.258 billion, up \$88 million from FY 2013. Lottery transfers rose \$21 million; video gaming increased \$90 million. Riverboat transfers declined \$24 million; horse racing transfers were flat. Total lottery sales fell, but transfers were helped by a \$39 million penalty against the private manager. Lottery's future is uncertain as the state seeks to cancel agreement with the private manager. All casino riverboat admissions fell; gross receipts fell except at Des Plaines. Casino revenues were likely hurt by video gaming growth. Terminals more than doubled in FY 2014. Modest growth is expected in coming years, but a gaming expansion or overturn of municipal bans could

change that projection. (S. Res. 87 [1991]; Sept. 2014, rec'd Oct. 2014, 84 pp.)

### **Healthcare and Family Services Dept.**

*Payments for services from past years and changes in liabilities, FY 2014*

DHFS paid about \$866 million in FY 2014 for medical services provided in earlier years. It paid nearly \$55 million on claims it received in earlier years. DHFS had just over \$37 million in collections of fraudulent, abusive, restitution, or global settlement payments. (30 ILCS 105/25(e) and (g); Nov. 2014, rec'd Dec. 2014, 1 p. + attachments)

### **Human Rights and Human Services Depts.**

*Interagency Committee on Employees with Disabilities annual report, FY 2014*

Among state employees in FY 2014, 7.4% had disabilities. Committee had three accomplishments in 2014: (1) sponsored or cosponsored webinars on accessible parking and application procedures for those seeking state jobs; (2) prepared annual report on its accomplishments and an analysis of state's disability hiring performance; and (3) issued newsletter, maintained website, and continued ICED internship program. (20 ILCS 415/19a; Dec. 2014, rec'd Jan. 2015, 14 pp.)

### **Human Services Dept.**

*Community Mental Health Medicaid Trust Fund Revenues and Expenditures, FYs 2013 & 2014*

Fund had \$107 million in revenue and \$79 million in total spending in FY 2013. For FY 2014 it had \$82 million in revenue and \$106 million in spending. Delayed deposit for June 2012 (received

in FY 2013) explains higher FY 2013 revenue. (20 ILCS 1705/18.4(c-10); Aug. 2014, rec'd Oct. 2014, 1 p.)

*Inspector General's report on abuse and neglect of adults with disabilities, FY 2014*

Office of the Inspector General does training, unannounced site visits, investigations, referrals for services, and reviews to ensure correction, among other activities. Actions included closing 2,933 investigations of abuse or neglect allegations; making unannounced site visits to all 14 DHS mental health or developmental disabilities facilities; and referring 57 facility or community agency employees to IDPH Health Care Worker Registry. (20 ILCS 2435/60; Nov. 2014, rec'd Jan. 2015, 24 pp.)

*Juvenile Justice Commission: Improving Illinois' Response to Sexual Offenses Committed by Youth* Commission is charged with researching frequency of juvenile sex offenses and best practices for handling offenders. Number of juveniles arrested for sex offenses fell from 434 in 2004 to 232 in 2010—only 1% of total juvenile arrests. About half of youth sex offenders are under age 15; 95% are male; and many were sexually abused themselves. Most must register for life as sex offenders. Commission finds this counterproductive for many reasons, including that youth have high rates of rehabilitation and low recidivism risk. It recommends developing and implementing best practices for professionals working with youth sexual offenders; equipping courts and communities to intervene more effectively; and ending sex offender registration requirement for juveniles. (20 ILCS

505/17a-5.1; March 2014, rec'd April 2014, 61 pp. + 11 appendices)

*Social Services Block Grant Fund and Local Initiative Fund receipts and transfers, FY 2014*

Social Services Block Grant Fund had \$65.1 million in federal transfers in. Transfers out were \$36 million to General Revenue Fund, \$9.8 million to Special Purpose Trust Fund, and \$19.4 million to Local Initiative Fund. (305 ILCS 5/12-5; Nov. 2015, rec'd Dec. 2014, 1 p.)

**Human Services, Healthcare and Family Services, and Public Health Depts.; Illinois Housing Development Authority**  
*Williams Consent Decree report, 2014*

Reports on efforts under *Williams v. Quinn* consent decree to de-institutionalize the mentally ill. The state committed to transferring 960 to community-based settings or had leases signed with transition imminent by June 30, 2014—exceeding the target to transition 832. Two new contractual services were developed. (20 ILCS 1705/73; undated, rec'd Jan. 2015, 98 pp. + appendices)

### **Illinois Film Office**

*Quarterly report Jan.-March 2014*

Office estimates that it created or kept 3,555 jobs (1,942 technical or office, 290 talent, and 1,323 extras) and that film production brought Illinois \$23.4 million in spending. Film tax credit has a diversity requirement. It is unclear whether any productions in the quarter satisfied the requirement. (35 ILCS 16/45(b); undated, rec'd May 2014, 1 p.)

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## Abstracts *(continued from p. 13)*

### **Illinois Housing Development Authority**

#### *Housing plan for 2014*

Recommended focus areas include: (1) use current funding to address foreclosure prevention and expand reuse of foreclosed properties; (2) help special needs populations transitioning or remaining in community-based living settings, including long-term care; (3) expand research on impact of affordable housing on local economies, and research strategies to promote economic development; (4) increase planning to foster housing policy changes. (30 ILCS 345/7.5 and 310 ILCS 110/15(c); undated, rec'd May 2014, 65 pp. + appendices)

### **Juvenile Justice Dept.**

#### *Quarterly report, Jan.-March 2014*

Illinois juvenile justice facilities held 782 youth on Feb. 28, 2014—below rated capacity of 1,250 and bed space for 1,509. Number was projected to rise to 842 by March 2015. Ratio of youth to security staff was 1.5. All youth were single-celled (78%) or double-celled (22%), with about 113 square feet of actual living area each. Enrollment (unduplicated) in educational and vocational programs was 599. No capital projects were funded. Shows statistical indicators for FYs 1993 to 2013. (730 ILCS 5/3-5-3.1; April 2014, rec'd Aug. 2014, 10 tables)

### **Legislative Inspector General**

#### *Quarterly report, Oct.-Dec. 2013*

Two investigations were begun and 8 concluded since last report (Sept. 2013); 3 were pending. Two allegations were received since last report; no action was pending before Legislative Eth-

ics Commission. No complaints were forwarded to Attorney General since last report. (5 ILCS 430/25-85; Jan. 2014, rec'd Sept. 2014, 2 pp.)

### **Legislative Reference Bureau**

#### *Illinois Delegation to National Conference of Commissioners on Uniform State Laws, 2014*

The Commissioners study state laws to recommend which should be uniform. NCCUSL proposed four new uniform acts for 2014: Uniform Fiduciary Access to Digital Assets Act, Uniform Recognition of Substitute Decision-Making Documents Act, 2014 Amendments to Uniform Voidable Transactions Act, and 2014 Amendments to Uniform Common Interest Ownership Act. Separately, Illinois adopted the Uniform Electronic Legal Material Act in 2014. (25 ILCS 135/5.07; issued & rec'd Dec. 2014, 22 pp.)

### **Public Health Dept.**

#### *Prostate and testicular cancer program, 2014*

Prostate cancer is the kind most diagnosed in Illinois men, and behind only lung-bronchial cancer in cancer deaths to them. Its Illinois mortality rates per 100,000 in 2010 by race or ethnicity were: African American, 54.6; white, 19.5; Hispanic, 12.7. In the first half of 2014, \$150,000 in screening grants funded 851 prostate cancer blood tests and 149 exams; 78 men were referred for more testing. Of 42 screened for testicular cancer, two were referred for testing. (20 ILCS 2310/2310-397; June 2014, rec'd July 2014, 11 pp.)

*Psychiatry Practice Incentive Program annual report, 2013*  
Outlines eligibility for residency

program grants, medical student scholarships, and loan repayment help. No programs were begun due to lack of appropriations in FY 2013 and FY 2014. (405 ILCS 100/35; March 2014, rec'd July 2014, 3 pp. + 2 appendices)

### **School Success Task Force**

#### *Report to General Assembly*

Task Force got information from hearings, surveys, and presentations on school suspensions, expulsions, and truancies. It recommended four "P's": Practice (professional development, school culture, and proper staffing of mental health professionals and teachers); Partnerships (using community organizations and resources to help tutor students and provide them with school supplies and mentoring); Programs (accommodating at-risk students); and Public Policy (state funding for early childhood, traditional, alternative, and vocational education; arts, music, humanities, and STEM education; and seeking federal funds and local grants). Appendices give detailed data on suspensions, expulsions, and truancy. (H.J.R. 5 [2009]; Jan. 2014, rec'd Feb. 2014, 17 pp. + 4 appendices)

### **Sports Facilities Authority**

#### *Annual report, 2013*

The Authority added an escalator, began replacing suite-level windows, replaced 90 weakened Emerald Ash trees, and improved stormwater drainage at U.S. Cellular Field. It hosted several special events including charity baseball games and 5K run/walks. Its reported total assets in mid-2013 were \$404.8 million versus \$456.8 million in liabilities, for a negative equity of \$52 million. The Authority's outside

auditor noted differences between its practices in reporting assets and liabilities (under its bond indenture) and U.S. Generally Accepted Accounting Principles (GAAP). (70 ILCS 3205/18; undated, rec'd April 2014, 25 pp.)

### **State Board of Education**

#### *Early Childhood Prevention Initiative Programs, FYs 2012 and 2013*

Programs began in 1989 to reduce school failure by coordinating and expanding services to children up to 3 in high-risk areas. It served 13,579 children in FY 2012 and 14,770 in FY 2013. Early Childhood Block Grant Prevention Initiative funding was cut by \$4.3 million from FY 2012 to FY 2013. Reports numbers of programs and services offered, and participant demographics. (105 ILCS 5/2-3.89(c); June 2014, rec'd July 2014, 27 pp.)

#### *Illinois education funding recommendations, FY 2016*

Board is directed to make legislative recommendations for Foundation Level and supplemental state aid to schools. Recommendations include raising Foundation Level to \$8,899 per student and appropriating \$250,000 to develop an alternative model for adequate funding levels. Adds that schools are underfunded and get only 89% of Foundation Level. (105 ILCS 5/18-8.05(M); Dec. 2014, rec'd Jan. 2015, 11 pp.)

#### *Special education expenditures and receipts, FY 2013*

Lists each school district's special education spending; receipts (mostly for special education) from local, state, and federal sources; and net education spending exceeding such receipts,

based on districts' FY 2013 financial reports. FY 2013 average appropriation per student was \$5,200. (105 ILCS 5/2-3.145; May 2014, rec'd April 2014, 47 pp.)

#### *Task Force on Civic Education addendum, 2014*

In its 2014 report, the Task Force requested an extension of its life to Dec. 2014 for public hearings. Task Force held four public hearings. Students attending "democracy high schools" and social studies teachers generally supported a civics course requirement; career and technical education teachers and other adults voiced concerns. Task Force still recommends a civics course and project-based requirement to graduate from high school. (105 ILCS 5/2-3.157(g); Dec. 2014, rec'd Jan. 2015, 6 pp. + 3 appendices)

### **State Police Dept.**

#### *Juvenile Justice Reform Quarterly Report, Jan.-March 2014*

Department reported 11,109 juvenile charges in first quarter: 16 murders; 209 Class X felonies; 2,137 lesser felonies; 6,563 misdemeanors; 900 ordinance violations; and 320 petty crimes, plus 964 unidentified. Of those charged, 8,770 were male and 2,339 female. By race, they were 6,559 black; 4,399 white; 62 Asian; and 1 Indian, plus 88 unidentified. (20 ILCS 2605/2605-355; issued & rec'd May 2014, 4 pp.)

### **State Universities Retirement System**

#### *Emerging Investment Managers, FY 2014*

On June 30, 2014, 21 of SURS's 47 investment managers (45%)

were owned by minorities, women, or persons with disabilities. SURS assets managed by such firms were \$4.26 billion (24.5% of its portfolio), up \$590 million from 2013's \$3.67 billion (25.1%). Appendices report on SURS board policies, investment managers, brokers-dealers, and affirmative action programs of SURS providers. (40 ILCS 5/1-109.1; issued & rec'd Dec. 2014, 12 pp. + appendices)

### **State's Attorneys Appellate Prosecutor**

#### *Annual report, FY 2014*

Agency filed 1,045 original briefs and responded to 1,416 advice calls in FY 2014. Labor Unit represented 7 client counties and 10 contractual counties. Local Drug Prosecution Support Unit closed 3,163 criminal and 986 civil cases. Continuing Legal Education Unit sponsored or co-sponsored 12 training seminar programs. Tax Objection Division handled 117 cases for 20 counties. Special Prosecution Unit helped on 813 cases in 87 counties. (725 ILCS 210/4.06; issued & rec'd Dec. 2014, 28 pp.)

### **Transportation Dept.**

#### *Rental of right-of-way parcels, FY 2012*

Shows rental of parcels until needed for highway construction, with details by county including number of parcels, number with buildings or other improvements, and total rent received. The 297 rented parcels included 17 with improvements. Total rent collected was \$1.1 million. (605 ILCS 5/14-201.16; undated, rec'd July 2014, 6 pp.)

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Legislative Research Unit  
 222 South College, Suite 301  
 Springfield, Illinois 62704



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## First Reading

A publication of the Legislative Research Unit

**Alan R. Kroner**  
*Executive Director*

**Jonathan P. Wolff**  
*Associate Director*

**David R. Miller**  
*Editor*

**Dianna Jones**  
*Office Administrator*  
 Composition & Layout

<i>Violation type</i>	<i>White</i>	<i>Minority</i>
Moving	71%	65%
Equipment	18	21
License or registration	10	12
Commercial vehicle	1	1
<b>Totals</b>	<b>100%</b>	<b>99%*</b>

\* Does not total 100% due to rounding.

## Abstracts (continued from p. 15)

### *Traffic Stop Study Annual Report, 2013*

In 2013, 943 participating agencies reported 2.096 million traffic stops. White drivers received 65% of stops; minority drivers received 35%. Among drivers who were stopped, the reasons were:

The average (mean) duration of a stop was 11 minutes for white drivers and 12 minutes for minority drivers. Citations were issued in about 52% of stops. There were 22,805 consent searches (in about 1% of all stops). White drivers consented to 11,747 searches and minority drivers consented to 11,058. Contraband was found in 26% of consent searches of white drivers and 17% of consent searches of minority drivers. Dog sniffs for contraband were done 6,924 times. Also includes appendices on how to interpret agencies' report, and a list of noncomplying agencies. (625 ILCS 5/11-212(e); undated, rec'd Sept. 2014, 17 pp.)