

THE FLINN REPORT

ILLINOIS GENERAL ASSEMBLY
JOINT COMMITTEE ON ADMINISTRATIVE RULES

Elaine Spencer, Editor

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The Flinn Report is a weekly summary of regulatory actions of State agencies published in the *Illinois Register* and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules (JCAR). The Flinn Report honors founding JCAR member Representative Monroe Flinn, and is designed to inform and involve the public in changes taking place in agency administration.

Proposed Rulemakings

• GAMING

The ILLINOIS GAMING BOARD proposed amendments to Video Gaming (General) (11 IAC 1800; 48 Ill Reg 1541), Sports Wagering (11 IAC 1900; 48 Ill Reg 1554) and Riverboat and Casino Gambling (86 IAC 3000; 48 Ill Reg 1564) that implement Public Act 103-550. The PA allows persons convicted of felonies, gambling-related offenses, and crimes involving dishonesty or moral turpitude, who previously had been barred from employment in any capacity at a casino or other gaming establishment, to receive occupational licenses at IGB's discretion for and be employed in positions that do not affect or involve gaming by patrons (e.g., food service). These rulemakings clarify which positions and licenses are considered to be performing functions involved in gaming by patrons and remain subject to the ban on employing persons convicted of the specified offenses. The 11 IAC 1800

rulemaking clarifies that the PA does not apply to video gaming establishments, which maintain a complete ban on employing persons convicted of the listed offenses. Amendments to 11 IAC 1900 state that individuals who work at a sports wagering facility and are required to obtain a Level 1 or Level 2

**Adopted Rule, Page 3
No Second Notices This Week**

occupational license are considered to be performing functions involved in gaming by patrons. The 86 IAC 3000 rulemaking clarifies that the following Level 2 licensees (along with all Level 1 licensees) are considered to be performing patron gaming functions: dealers, slot attendants, chip runners, cage/count room staff, gaming equipment maintenance, security, surveillance, compliance, or audit employees, as well as anyone who supervises one or more employees that are required to hold a Level 2

license. Video gaming and sports wagering establishments and casino gaming establishments are affected by these rulemakings.

Questions/requests for copies/comments on the 3 IGB rulemakings through 3/11/24: Daniel Gerber, IGB, 160 N. LaSalle St., Chicago IL 60601, IGB.RuleComments@igb.illinois.gov

• SERVICE TAX

The DEPARTMENT OF REVENUE proposed amendments to the Part titled Service Use Tax (86 IAC 160; 48 Ill Reg 1598) reflecting numerous statutory changes and updates. The rulemaking rearranges many existing provisions, inserts or removes applicable statutory text, and removes outdated provisions. It also updates the list of transactions exempt from service use tax and the statutory def-

(cont. page 2)

ADOPTED RULES: Rules adopted by agencies this week. **EMERGENCY RULES:** Temporary rules adopted for no more than 150 days.

PROPOSED RULEMAKINGS: Rules proposed by agencies this week, commencing a First Notice public comment period of at least 45 days.

PEREMPTORY RULES: Rules adopted without prior public notice or JCAR review as authorized by 5 ILCS 100/5-50.

• - Designates rules of special interest to small businesses, small municipalities and/or non-profit organizations. Agencies must consider comments from these groups and attempt to minimize regulatory burdens on them.

QUESTIONS/COMMENTS: Submit mail, e-mail or phone calls to the agency personnel listed below each summary.

RULE TEXT: First Notice proposed text, emergency rule and peremptory rule text is available at the Secretary of State website (<https://www.ilsos.gov/departments/index/register/home.html>) or at the Illinois General Assembly website (<http://www.ilga.gov>) under "Illinois Register". Second Notice text for proposed rulemakings (original version with any changes made by the agency during First Notice included) is available at the JCAR website.

Proposed Rulemakings

(cont. from page 1)

inition of a “serviceman maintaining a place of business in this State” who is subject to service use tax. This definition now includes, effective 10/1/18, sellers who meet the Wayfair nexus test (more than \$10,000 in gross sales, or more than 200 individual sales transactions, to Illinois residents in a 12-month period) and, effective 1/1/20, marketplace facilitators (e.g., Amazon, eBay). The rulemaking also lists the effective dates, rates, and formulas for taxes on gasohol, ethanol, and biodiesel fuels and states that food prepared for immediate consumption (normally taxed at 6.25% or higher) and delivered to a hospital, long-term care facility, or Specialized Mental Health Rehabilitation Facility shall be taxed at 1%. Retailers and servicemen subject to service use tax are affected by this rulemaking.

Questions/requests for copies/comments through 3/11/24: Alexis K. Overstreet, DOR, 101 W. Jefferson St., Springfield IL 62794, 217-782-2844, REV.GCO@illinois.gov

SNAP BENEFITS

The DEPARTMENT OF HUMAN SERVICES proposed an amendment to Supplemental Nutrition Assistance Program (SNAP) (89 IAC 121; 48 Ill Reg 1582) concerning financial eligibility. Current rule establishes a standard medical deduction for both group home and Supportive Living Facility (SLF) residents of \$450 per month; this rulemaking removes the reference SLF residents. This rulemaking reflects the expiration of a federal waiver that allowed SLF residents to qualify for SNAP benefits.

Questions/requests for copies/comments through 3/11/24: Tracie Drew, DHS, 100 S. Grand Ave. East, 3rd Fl., Springfield IL 62762, 217-785-9772, DHS.AdministrativeRules@illinois.gov

STATE EMPLOYEES

The DEPARTMENT OF CENTRAL MANAGEMENT SERVICES proposed amendments to Pay Plan (80 IAC 310; 48 Ill Reg 1289) that remove pay charts, tables and appendices containing specific Merit Compensation System (MS) and bargaining unit pay rates and that authorize CMS to post these tables on its website rather than adopting them in rule. CMS states that this change will allow pay rates to be updated more quickly and remove the need to restate terms of collective bargaining agreements in peremptory and adopted rules.

Questions/requests for copies/comments through 3/11/24: Administrative Rules Coordinator, CMS, 313 S. Sixth St., 3rd Floor, Springfield, IL 62702, 217-782-9669, CMS.Rule@illinois.gov

DEFERRED COMPENSATION

The STATE BOARD OF INVESTMENT proposed amendments to the Part titled State (of Illinois) Employees' Deferred Compensation Plan (80 IAC 2700; 48 Ill Reg 1645) that conform the Part with recently enacted federal law (SECURE 2.0 Act of 2022). These amendments change the required minimum distribution age for deferred compensation funds from age 72 to the age established in federal law (was 72 through 12/31/22, now 73 for persons born on or after 1/1/51) and require deferral changes to take effect “as soon as administratively possible” rather than with the first pay period of the following month. The default

investment option for automatically enrolled State employees or those who do not specify an investment option will be established by the Board (currently, the Stable Value Fund or Target Date Funds are specified as default options). Distributions may be taken as full lump sum payments, partial lump sum payments, or as installment payments on an annual, semi-annual, quarterly or monthly basis. Outdated and incorrect distributions rules are removed.

Questions/requests for copies/comments through 3/11/24: Mary Cahill, ISBI, 180 N. LaSalle St., Suite 205, Chicago IL 60601, 312-793-5712, mcahill@isbinvestment.com

STATE RETIREMENT

The STATE EMPLOYEES' RETIREMENT SYSTEM proposed amendments to the Part titled The Administration and Operation of the State Employees' Retirement System of Illinois (80 IAC 1540; 48 Ill Reg 1662) clarifying certain aspects of SERS disability benefits. The rulemaking states that a SERS member receiving disability benefits is entitled to the first automatic increase after having received benefits for 48 consecutive months without any interruption/suspension. It also replaces the limit of \$3,600 per quarter in “gainful activity” earnings with the gainful economic activity limitations established annually by the federal Social Security Administration.

Questions/requests for copies/comments through 3/11/24: Jeff Houch, SERS, 2101 S. Veterans Pkwy., PO Box 19255, Springfield IL 62794-9255, 217-524-8105, fax 217-557-3943, jeff.houch@srs.illinois.gov

Adopted Rule

• INCOME TAX

The DEPARTMENT OF REVENUE adopted amendments to Income Tax (86 IAC 100; proposed at 47 Ill Reg 13825) effective 1/10/24 at 48 Ill Reg 1677, implementing Public Acts 102-700 and 103-9. The rulemaking maintains the standard individual taxpayer exemption at \$2,425 for tax

year 2023 and resumes the annual cost of living increase in this amount for tax years 2024 through 2028. (The standard exemption sunsets after 2028.) The rulemaking also increases the State earned income tax credit (EITC) to 20% of the federal credit and extends eligibility for the EITC to taxpayers without Social Security numbers, taxpayers age 18-25 without

dependents, and taxpayers over 65 without dependents.

Questions/requests for copies: Brian Fliflet, DOR, 101 W. Jefferson St., Springfield IL 62794, 217/782-2844, REV.GCO@illinois.gov

Next JCAR Meeting: Tuesday, Feb. 6, 10:30 a.m.

Room C-1, Stratton Bldg., 401 S. Spring St., Springfield
Meeting will be live streamed on the JCAR website

Joint Committee on Administrative Rules

Senator Bill Cunningham, Co-Chair
Senator Cristina Castro
Senator Donald DeWitte
Senator Dale Fowler
Senator Napoleon Harris, III
Senator Sue Rezin

Representative Ryan Spain, Co-Chair
Representative Eva-Dina Delgado
Representative Jackie Haas
Representative Steven Reick
Representative Curtis Tarver, II
Representative Dave Vella

Kim Schultz, Executive Director ■ Kevin Kulavic, Deputy Director
700 Stratton Office Building, Springfield IL 62706
217-785-2254 ■ jcar@ilga.gov