



Adopted in House Comm. on Nov 14, 2006

09400SB1989ham001

LRB094 11937 RAS 59992 a

1 AMENDMENT TO SENATE BILL 1989

2 AMENDMENT NO. _____. Amend Senate Bill 1989 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Regulatory Sunset Act is amended by
5 changing Sections 4.18 and 4.26 as follows:

6 (5 ILCS 80/4.18)

7 Sec. 4.18. Acts repealed January 1, 2008. The following
8 Acts are repealed on January 1, 2008:

9 The Acupuncture Practice Act.

10 The Clinical Social Work and Social Work Practice Act.

11 The Home Medical Equipment and Services Provider License
12 Act.

13 The Nursing and Advanced Practice Nursing Act.

14 ~~The Illinois Petroleum Education and Marketing Act.~~

15 The Illinois Speech-Language Pathology and Audiology
16 Practice Act.

17 The Marriage and Family Therapy Licensing Act.

18 The Nursing Home Administrators Licensing and Disciplinary
19 Act.

20 The Pharmacy Practice Act of 1987.

21 The Physician Assistant Practice Act of 1987.

22 The Podiatric Medical Practice Act of 1987.

23 The Structural Pest Control Act.

24 (Source: P.A. 94-754, eff. 5-10-06.)

1 (5 ILCS 80/4.26)

2 Sec. 4.26. Acts ~~Act~~ repealed on January 1, 2016. The
3 following Acts are ~~Act is~~ repealed on January 1, 2016:

4 The Illinois Athletic Trainers Practice Act.

5 The Illinois Roofing Industry Licensing Act.

6 The Illinois Dental Practice Act.

7 The Collection Agency Act.

8 The Barber, Cosmetology, Esthetics, and Nail Technology
9 Act of 1985.

10 The Respiratory Care Practice Act.

11 The Hearing Instrument Consumer Protection Act.

12 The Illinois Physical Therapy Act.

13 The Professional Geologist Licensing Act.

14 The Illinois Petroleum Education and Marketing Act.

15 (Source: P.A. 94-246, eff. 1-1-06; 94-254, eff. 7-19-05;
16 94-409, eff. 12-31-05; 94-414, eff. 12-31-05; 94-451, eff.
17 12-31-05; 94-523, eff. 1-1-06; 94-527, eff. 12-31-05; 94-651,
18 eff. 1-1-06; 94-708, eff. 12-5-05; revised 12-8-05.)

19 Section 10. The Illinois Petroleum Education and Marketing
20 Act is amended by changing Sections 5, 10, 15, 30, 35, and 45
21 and by adding Section 27 as follows:

22 (225 ILCS 728/5)

23 (Section scheduled to be repealed on January 1, 2008)

24 Sec. 5. Definitions. As used in this Act:

25 "Board" means the Illinois Petroleum Resources Board.

26 "Department" means the Department of Natural Resources.

27 "First purchaser" means any person who buys Illinois crude
28 oil or Illinois gas.

29 "Interest owner" means a person who owns or possesses an
30 interest in the gross production of oil or gas produced from a
31 well in Illinois.

1 "Person" means an individual, group of individuals,
2 partnership, corporation, association, limited liability
3 company, cooperative, or any other entity or an employee of the
4 entity.

5 "Producer" means a person who produces oil and gas or who
6 derives a majority of his or her oil and gas income from
7 working interest.

8 "Qualified producer association" means an entity that is
9 organized and operating within the State and that represents
10 oil and gas producers on a Statewide basis.

11 (Source: P.A. 92-610, eff. 7-1-02.)

12 (225 ILCS 728/10)

13 (Section scheduled to be repealed on January 1, 2008)

14 Sec. 10. Illinois Petroleum Resources Board.

15 (a) There is hereby created until January 1, 2016 ~~2008~~, the
16 Illinois Petroleum Resources Board, which shall be subject to
17 the provisions of the Regulatory Sunset Act. The purpose of the
18 Board is to coordinate a program designed to demonstrate to the
19 general public the importance of the Illinois oil and gas
20 exploration and production industry, to encourage the wise and
21 efficient use of energy, to promote environmentally sound
22 production methods and technologies, to develop existing
23 supplies of State oil and gas resources, and to support
24 research and educational activities concerning the oil and gas
25 exploration and production industry.

26 (b) The Board shall be composed of 12 members to be
27 appointed as follows:

28 (1) Through December 31, 2006, by the Governor. ~~The~~
29 ~~Governor~~ shall make appointments from a list of names
30 submitted by qualified producer associations, of which 10
31 shall be oil and gas producers.

32 (2) Beginning January 1, 2007, all appointments shall
33 be made by the qualified producer associations.

1 (c) A member of the Board shall:

2 (1) be at least 25 years of age;

3 (2) be a resident of the State of Illinois; and

4 (3) have at least 5 years of active experience in the
5 oil industry.

6 (d) Members shall serve for a term of 3 years, except that
7 of the initial appointments, 4 members shall serve for one
8 year, 4 members for 2 years, and 4 members for 3 years.

9 (e) Vacancies shall be filled for the unexpired term of
10 office in the same manner as the original appointment.

11 (f) The Board shall, at its first meeting, elect one of its
12 members as chairperson, who shall preside over meetings of the
13 Board and perform other duties that may be required by the
14 Board. The first meeting of the Board shall be called by the
15 Governor.

16 (g) No member of the Board shall receive a salary or
17 reimbursement for duties performed as a member of the Board,
18 except that members are eligible to receive reimbursement for
19 travel expenses incurred in the performance of Board duties.

20 (Source: P.A. 92-610, eff. 7-1-02; 92-651, eff. 7-11-02;
21 revised 8-12-02.)

22 (225 ILCS 728/15)

23 (Section scheduled to be repealed on January 1, 2008)

24 Sec. 15. Board powers and duties. The Board shall have the
25 following powers and duties:

26 (1) To administer and enforce the provisions of this
27 Act.

28 (2) To establish an office for the Board within the
29 State of Illinois.

30 (3) To elect a chairperson and any other officers that
31 may be necessary to direct the operations of the Board.

32 (4) To employ personnel as shall be deemed necessary to
33 carry out the purpose and provisions of this Act and to

1 prescribe their duties and fix their compensation.

2 (5) To receive and administer all assessments,
3 donations, grants, contributions, and gifts received by
4 the Board pursuant to this Act and to deposit them into
5 accounts maintained by the Board ~~the Petroleum Resources~~
6 ~~Revolving Fund.~~

7 (6) To annually establish priorities and approve a
8 prepared ~~or disapprove the~~ budget consistent with
9 estimated resources ~~of the Board.~~

10 (7) To adopt rules as it deems necessary to carry out
11 the provisions of this Act.

12 (8) To enter into contracts or agreements for studies,
13 research projects, experimental work, supplies, or other
14 services to carry out the purposes of this Act and to incur
15 those expenses necessary to carry out those purposes. A
16 contract or agreement entered into under this item shall
17 provide that:

18 (A) the person entering the contract or agreement
19 on behalf of the Board shall develop and submit to the
20 Board a plan or project together with a budget that
21 shows estimated costs to be incurred for the plan or
22 project; and

23 (B) the person entering the contract or agreement
24 shall keep accurate records of all of its transactions,
25 account for funds received and expended, and make
26 periodic reports to the Board of activities conducted
27 and other reports that the Board may require.

28 (9) To keep accurate records of all financial
29 transactions performed pursuant to this Act. These records
30 shall be audited annually by an independent auditor who is
31 a certified public accountant and has been selected by the
32 Board, and an annual report shall be compiled and made
33 available to any interest owner and filed with the
34 Department ~~presented to the Governor.~~

1 (10) To cooperate with any private, local, state, or
2 national commission, organization, agency, or group and to
3 make contracts and agreements for joint programs
4 beneficial to the oil and gas industry.

5 (11) To accept donations, grants, contributions, and
6 gifts from any public or private source and deposit them
7 into accounts maintained by the Board ~~the Petroleum~~
8 ~~Resources Revolving Fund.~~

9 (12) To keep an accurate record of all assessments
10 collected.

11 (Source: P.A. 90-614, eff. 7-10-98.)

12 (225 ILCS 728/27 new)

13 Sec. 27. Petroleum Resources Revolving Fund abolished;
14 moneys and assets transferred to Board. On January 1, 2007, or
15 as soon thereafter as practical, the State Comptroller shall
16 direct and the State Treasurer shall pay the remaining balance
17 in the Petroleum Revolving Fund to the Board. Upon the
18 completion of this payment, the Fund is abolished, and any
19 future deposits due to the Fund and any outstanding obligations
20 or liabilities of the Fund pass to the Board. In addition,
21 ownership of all assets in the possession of the Board that are
22 property of the State shall be transferred to the Board.

23 (225 ILCS 728/30)

24 (Section scheduled to be repealed on January 1, 2008)

25 Sec. 30. Assessment on oil and gas production.

26 (a) To fund the activities of the Illinois Petroleum
27 Resources Board, an assessment shall be levied in the amount of
28 one-tenth of 1% of gross revenues of oil and gas produced from
29 each well in the State of Illinois.

30 (b) The assessment levied by subsection (a) of this Section
31 shall be deducted from the proceeds of production and collected
32 by the first purchaser. The assessment, which is imposed on the

1 interest owner, shall be remitted to the Board ~~Department of~~
2 ~~Revenue~~ by the first purchaser on an assessment form provided
3 by the Board, along with any other requested production records
4 in compliance with assessment payments and enforcement
5 provisions of this Act and rules adopted by the Board. The
6 remittance and specified data shall be delivered to the Board
7 no later than the 15th day of each month following the end of
8 the month in which the assessment was collected. The Board
9 shall deposit the assessment into accounts, operating or
10 reserve, to be used as authorized by this Act ~~a tax return~~
11 ~~filed no later than the 15th day of each month following the~~
12 ~~end of the month in which the assessment was collected. To~~
13 ~~defray the costs of receiving and depositing the assessments~~
14 ~~levied by this Section, the Department of Revenue shall retain~~
15 ~~\$750 per month of the assessments received for deposit into the~~
16 ~~Tax Compliance and Administration Fund. The remaining moneys~~
17 ~~received by the Department of Revenue pursuant to this Section~~
18 ~~shall be deposited into the Illinois Petroleum Resources~~
19 ~~Revolving Fund.~~

20 (c) The Board shall be responsible for taking appropriate
21 legal actions to collect any assessment which is not paid or is
22 not properly paid.

23 (Source: P.A. 92-610, eff. 7-1-02.)

24 (225 ILCS 728/35)

25 (Section scheduled to be repealed on January 1, 2008)

26 Sec. 35. Refunds.

27 (a) Any person subject to the assessment levied by Section
28 30 of this Act may request a refund as provided in this Section
29 of the assessment paid on production for the preceding calendar
30 year. Upon compliance with the provisions of this Section and
31 rules adopted by the Board to implement this Section, the Board
32 shall refund to each person requesting a refund the amount of
33 the assessment paid by or on behalf of the person during the

1 preceding calendar year. Refunds made to producers will include
2 interest earned at the rate equal to the average United States
3 Treasury bill rate of the preceding calendar year as documented
4 from government sources ~~certified by the State Treasurer.~~

5 (b) The request for a refund of the assessment paid on
6 production for the preceding calendar year must be made during
7 the first 3 calendar months following the calendar year for
8 which the refund is requested. Failure to request a refund
9 during this period shall terminate the right of any person to
10 receive a refund for the assessment paid on production for the
11 preceding calendar year. The Board shall give notice of the
12 availability of the refund through press releases or another
13 means it deems appropriate.

14 (c) Each person requesting a refund shall execute an
15 affidavit showing the amount of refund requested and
16 demonstrating that the affiant was the interest owner of the
17 production for which the refund is requested. The Board may
18 verify the accuracy of the request for refund.

19 (d) No entity or person requesting a refund under this
20 Section shall be eligible to serve or have a representative
21 serve as a member of the Board.

22 (Source: P.A. 92-610, eff. 7-1-02.)

23 (225 ILCS 728/45)

24 (Section scheduled to be repealed on January 1, 2008)

25 Sec. 45. Use of funds.

26 (a) All interest earned on moneys received by the Board
27 shall be the property of the Board ~~in the Petroleum Resources~~
28 ~~Revolving Fund shall remain in the Fund.~~

29 (b) The Board shall not utilize any funds collected under
30 Section 30 of this Act for the purpose of influencing
31 government action or policy, with the exception of recommending
32 amendments to this Act.

33 (Source: P.A. 90-614, eff. 7-10-98.)

1 (30 ILCS 105/5.482 rep.)

2 Section 90. The State Finance Act is amended by repealing
3 Section 5.482.

4 (225 ILCS 728/25 rep.)

5 Section 95. The Illinois Petroleum Education and Marketing
6 Act is amended by repealing Section 25.

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