SENATE JOURNAL

STATE OF ILLINOIS

NINETY-SIXTH GENERAL ASSEMBLY

34TH LEGISLATIVE DAY

WEDNESDAY, APRIL 1, 2009

9:25 O'CLOCK A.M.

NO. 34
[April 1, 2009]

SENATE
Daily Journal Index
34th Legislative Day

Action	Page(s)
Committee Meeting Announcements	334
Legislative Measure(s) Filed	6, 82
Presentation of Senate Resolutions No'd. 185 - 188	6
Report from Assignments Committee	334
Report Received	6

Bill Number	Legislative Action	Page(s)
SB 0027	Recalled - Amendment(s)	312
SB 0028	Third Reading	327
SB 0032	Third Reading	327
SB 0037	Third Reading	328
SB 0043	Third Reading	329
SB 0044	Second Reading	329
SB 0047	Recalled - Amendment(s)	312
SB 0099	Recalled - Amendment(s)	312
SB 0134	Recalled - Amendment(s)	316
SB 0178	Recalled - Amendment(s)	317
SB 0268	Recalled - Amendment(s)	320
SB 0270	Recalled - Amendment(s)	325
SB 0277	Recalled - Amendment(s)	320
SB 1297	Recalled - Amendment(s)	320
SB 1351	Third Reading	154
SB 1353	Recalled - Amendment(s)	320
SB 1440	Recalled - Amendment(s)	321
SB 1482	Recalled - Amendment(s)	326
SB 1499	Recalled - Amendment(s)	323
SB 1553	Recalled - Amendment(s)	324
SB 1592	Third Reading	7
SB 1595	Third Reading	7
SB 1601	Recalled - Amendment(s)	259
SB 1601	Third Reading	287
SB 1602	Recalled - Amendment(s)	288
SB 1602	Third Reading	290
SB 1607	Recalled - Amendment(s)	291
SB 1607	Third Reading	308
SB 1609	Recalled - Amendment(s)	308
SB 1609	Third Reading	310
SB 1611	Third Reading	8
SB 1612	Third Reading	8
SB 1617	Third Reading	9
SB 1620	Third Reading	10
SB 1621	Third Reading	10
SB 1623	Third Reading	11
SB 1624	Third Reading	11
SB 1628	Third Reading	12
SB 1629	Recalled - Amendment(s)	12
SB 1629	Third Reading	13
SB 1631	Third Reading	13
SB 1632	Third Reading	14
SB 1642	Third Reading	15
SB 1648	Third Reading	15

SB 1655 Third Reading 16
SB 1657 Third Reading 16
SB 1661 Third Reading 17
SB 1662 Third Reading 17
SB 1665 Third Reading 18
SB 1666 Third Reading 18
SB 1668 Third Reading 19
SB 1670 Recalled - Amendment(s) 20
SB 1670 Third Reading 20
SB 1675 Third Reading 21
SB 1677 Third Reading 21
SB 1683 Third Reading 22
SB 1685 Third Reading 22
SB 1690 Recalled - Amendment(s) 23
SB 1690 Third Reading 26
SB 1691 Third Reading 27
SB 1698 Recalled - Amendment(s) 27
SB 1698 Third Reading 29
SB 1703 Second Reading 327
SB 1704 Recalled - Amendment(s) 30
SB 1704 Third Reading 30
SB 1705 Recalled - Amendment(s) 31
SB 1705 Third Reading 31
SB 1706 Recalled - Amendment(s) 31
SB 1706 Third Reading 35
SB 1708 Third Reading 36
SB 1710 Third Reading 36
SB 1715 Recalled - Amendment(s) 310
SB 1718 Third Reading 37
SB 1722 Third Reading 37
SB 1725 Recalled - Amendment(s) 38
SB 1725 Third Reading 40
SB 1729 Third Reading 40
SB 1732 Third Reading 41
SB 1736 Third Reading 41
SB 1737 Third Reading 42
SB 1738 Third Reading 42
SB 1743 Third Reading 43
SB 1750 Third Reading 43
SB 1769 Recalled - Amendment(s) 44
SB 1769 Third Reading 47
SB 1770 Third Reading 48
SB 1776 Third Reading 49
SB 1783 Third Reading 49
SB 1784 Third Reading 50
SB 1796 Third Reading 50
SB 1799 Third Reading 51
SB 1801 Third Reading 51
SB 1809 Recalled - Amendment(s) 52
SB 1809 Third Reading 54
SB 1812 Third Reading 55
SB 1813 Third Reading 55
SB 1814 Third Reading 56
SB 1818 Third Reading 56
SB 1819 Third Reading 57
SB 1825 Third Reading 57
SB 1827 Third Reading 58
SB 1828 Recalled - Amendment(s) 58
SB 1828 Third Reading 76

SB 1830 Third Reading 76
SB 1832 Third Reading 77
SB 1833 Third Reading 77
SB 1837 Third Reading 78
SB 1843 Third Reading 78
SB 1846 Recalled - Amendment(s) 79
SB 1846 Third Reading 82
SB 1847 Third Reading 83
SB 1858 Third Reading 83
SB 1866 Third Reading 84
SB 1868 Third Reading 84
SB 1877 Recalled - Amendment(s) 85
SB 1877 Third Reading 89
SB 1882 Recalled - Amendment(s) 90
SB 1882 Third Reading 91
SB 1883 Third Reading 92
SB 1885 Recalled - Amendment(s) 92
SB 1885 Third Reading 93
SB 1894 Recalled - Amendment(s) 94
SB 1896 Third Reading 99
SB 1897 Third Reading 99
SB 1905 Recalled - Amendment(s) 100
SB 1905 Third Reading 134
SB 1909 Third Reading 135
SB 1912 Third Reading 135
SB 1917 Third Reading 136
SB 1918 Third Reading 136
SB 1919 Third Reading 137
SB 1920 Third Reading 137
SB 1923 Second Reading 330
SB 1925 Recalled - Amendment(s) 138
SB 1927 Third Reading 139
SB 1930 Third Reading 139
SB 1933 Recalled - Amendment(s) 140
SB 1933 Third Reading 140
SB 1936 Third Reading 141
SB 1937 Third Reading 141
SB 1938 Third Reading 142
SB 1942 Third Reading 142
SB 1944 Third Reading 143
SB 1948 Third Reading 143
SB 1955 Third Reading 144
SB 1957 Third Reading 144
SB 1959 Third Reading 145
SB 1960 Third Reading 145
SB 1970 Third Reading 146
SB 1971 Third Reading 147
SB 1973 Recalled - Amendment(s) 147
SB 1974 Recalled - Amendment(s) 147
SB 1974 Third Reading 148
SB 1975 Third Reading 149
SB 1984 Third Reading 149
SB 1995 Third Reading 150
SB 2002 Third Reading 151
SB 2009 Recalled - Amendment(s) 151
SB 2011 Third Reading 152
SB 2022 Recalled - Amendment(s) 153
SB 2022 Third Reading 154
SB 2024 Recalled - Amendment(s) 155

SB 2034	Third Reading	156
SB 2043	Third Reading	156
SB 2045	Third Reading	157
SB 2046	Third Reading	158
SB 2051	Third Reading	158
SB 2052	Third Reading	159
SB 2069	Third Reading	159
SB 2091	Recalled - Amendment(s)	160
SB 2091	Third Reading	204
SB 2095	Recalled - Amendment(s)	205
SB 2095	Third Reading	205
SB 2103	Third Reading	206
SB 2104	Consideration Postponed	207
SB 2109	Recalled - Amendment(s)	208
SB 2111	Recalled – Amendment(s)	207
SB 2111	Third Reading	207
SB 2112	Third Reading	244
SB 2115	Third Reading	244
SB 2116	Recalled - Amendment(s)	245
SB 2116	Third Reading	245
SB 2119	Recalled - Amendment(s)	246
SB 2121	Recalled - Amendment(s)	247
SB 2121	Third Reading	247
SB 2125	Third Reading	248
SB 2126	Second Reading	334
SB 2145	Third Reading	249
SB 2148	Third Reading	249
SB 2150	Third Reading	250
SB 2168	Third Reading	250
SB 2170	Third Reading	254
SB 2178	Third Reading	251
SB 2184	Third Reading	251
SB 2212	Third Reading	252
SB 2214	Third Reading	252
SB 2217	Recalled - Amendment(s)	253
SB 2270	Recalled - Amendment(s)	253
SB 2271	Recalled - Amendment(s)	255
SB 2271	Third Reading	256
SB 2272	Recalled - Amendment(s)	257
SB 2272	Third Reading	257
SB 2283	Third Reading	258
SB 2338	Third Reading	258

The Senate met pursuant to adjournment.
Senator Don Harmon, Oak Park, Illinois, presiding.
Prayer by Pastor Rick Thiemke, New Life Church, Yorkville, Illinois.
Senator Jacobs led the Senate in the Pledge of Allegiance.

The Journal of Tuesday, March 31, 2009, was being read when on motion of Senator Hunter, further reading of same was dispensed with, and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

REPORTS RECEIVED

The Secretary placed before the Senate the following reports:

ICJIA and IIJIS 2009 Annual Report, submitted by the Illinois Criminal Justice Information Authority and the Illinois Integrated Justice Information System Implementation Board.

Law Enforcement Camera Grant Act Report, submitted by the Gibson City Police Department.

Law Enforcement Camera Grant Act Report, submitted by the Rock Falls Police Department.

Law Enforcement Camera Grant Act Report, submitted by the Blandinsville Police Department.

Law Enforcement Camera Grant Act Report, submitted by the Hampton Police Department.

LIS 2007 – 2008 Biennial Report, submitted by the Legislative Information System.

DHFS Medical Assistance Program Annual Report, Fiscal Years 2006, 2007 and 2008, submitted by the Department of Healthcare and Family Services.

Report Pursuant to Public Act 87-522 (Flex time), submitted by the Department of Veterans Affairs.

Illinois Motor Vehicle Theft Prevention Council 2008 Annual, submitted by the Illinois Criminal Justice Information Authority.

CTA Pension Obligation Debt Issuance – 2008, submitted by the Chicago Transit Authority.

JCAR 2008 Annual Report, submitted by the Joint Committee on Administrative Rules.

The foregoing reports were ordered received and placed on file in the Secretary's Office.

LEGISLATIVE MEASURES FILED

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

Senate Floor Amendment No. 1 to Senate Bill 1654
Senate Floor Amendment No. 2 to Senate Bill 1654

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 185

Offered by Senator Althoff and all Senators:
Mourns the death of Donald E. Drake of Woodstock.

SENATE RESOLUTION NO. 186

Offered by Senator Althoff and all Senators:
Mourns the death of Bette J. McIntyre of Algonquin.

SENATE RESOLUTION NO. 187

Offered by Senator Althoff and all Senators:
Mourns the death of Val Gitlin of Woodstock.

SENATE RESOLUTION NO. 188

Offered by Senator Althoff and all Senators:
Mourns the death of Thomas F. Bolger of McHenry.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Althoff, **Senate Bill No. 1592**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hunter	Meeks	Sullivan
Crotty	Hutchinson	Millner	Syverson
Dahl	Jacobs	Munoz	Trotter
DeLeo	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	Mr. President
Duffy	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Syverson, **Senate Bill No. 1595**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 44; NAYS 10.

The following voted in the affirmative:

Althoff	Haine	Martinez	Silverstein
Bond	Harmon	Meeks	Steans
Clayborne	Hendon	Millner	Sullivan

Cronin	Holmes	Munoz	Syverson
Crotty	Hunter	Murphy	Trotter
Dahl	Hutchinson	Noland	Viverito
DeLeo	Jones, E.	Pankau	Wilhelmi
Delgado	Koehler	Raoul	Mr. President
Demuzio	Kotowski	Righter	
Duffy	Lightford	Risinger	
Forby	Link	Sandoval	
Frerichs	Maloney	Schoenberg	

The following voted in the negative:

Bivins	Collins	Jones, J.	McCarter
Bomke	Garrett	Lauzen	
Burzynski	Jacobs	Luechtefeld	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Garrett asked and obtained unanimous consent for the Journal to reflect her affirmative vote on **Senate Bill No. 1595**.

On motion of Senator Clayborne, **Senate Bill No. 1611**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Meeks	Syverson
Crotty	Hutchinson	Millner	Trotter
Dahl	Jacobs	Munoz	Viverito
DeLeo	Jones, E.	Murphy	Wilhelmi
Delgado	Jones, J.	Noland	Mr. President
Demuzio	Koehler	Pankau	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Radogno asked and obtained unanimous consent for the Journal to reflect her affirmative vote on **Senate Bill No. 1611**.

On motion of Senator Jacobs, **Senate Bill No. 1612**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Schoenberg
Bond	Garrett	Link	Silverstein
Brady	Haine	Luechtefeld	Steans
Burzynski	Harmon	Maloney	Sullivan
Clayborne	Hendon	Martinez	Syverson
Collins	Holmes	McCarter	Trotter
Cronin	Hunter	Millner	Viverito
Crotty	Hutchinson	Munoz	Wilhelmi
Dahl	Jacobs	Murphy	Mr. President
DeLeo	Jones, E.	Noland	
Delgado	Jones, J.	Pankau	
Demuzio	Koehler	Radogno	

The following voted present:

Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Steans, **Senate Bill No. 1617**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Sandoval
Bond	Garrett	Link	Schoenberg
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hunter	Meeks	Trotter
Crotty	Hutchinson	Millner	Viverito
Dahl	Jacobs	Munoz	Wilhelmi
DeLeo	Jones, E.	Noland	Mr. President
Delgado	Jones, J.	Pankau	
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Link, **Senate Bill No. 1620**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hunter	Meeks	Sullivan
Cronin	Hutchinson	Millner	Syverson
Crotty	Jacobs	Munoz	Trotter
Dahl	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	Mr. President
Duffy	Kotowski	Radogno	

The following voted present:

DeLeo

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Link, **Senate Bill No. 1621**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	

Delgado	Koehler	Radogno
Demuzio	Kotowski	Raoul
Duffy	Lauzen	Righter

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Kotowski, **Senate Bill No. 1623**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Radogno
Bivins	Forby	Lauzen	Raoul
Bomke	Frerichs	Lightford	Righter
Bond	Garrett	Link	Risinger
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Meeks	Syverson
Crotty	Hutchinson	Millner	Trotter
Dahl	Jacobs	Munoz	Viverito
DeLeo	Jones, E.	Murphy	Wilhelmi
Delgado	Jones, J.	Noland	Mr. President
Demuzio	Koehler	Pankau	

The following voted present:

Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Kotowski, **Senate Bill No. 1624**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Radogno
Bivins	Forby	Lauzen	Raoul
Bomke	Frerichs	Lightford	Righter
Bond	Garrett	Link	Risinger
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein

Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Meeks	Syverson
Crotty	Hutchinson	Millner	Trotter
Dahl	Jacobs	Munoz	Viverito
DeLeo	Jones, E.	Murphy	Wilhelmi
Delgado	Jones, J.	Noland	Mr. President
Demuzio	Koehler	Pankau	

The following voted present:

Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Martinez, **Senate Bill No. 1628**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Martinez, **Senate Bill No. 1629** was recalled from the order of third reading to the order of second reading.

Senator Martinez offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1629

AMENDMENT NO. _2_. Amend Senate Bill 1629 by replacing everything after the enacting clause with the following:

"Section 5. The Energy Assistance Act is amended by changing Section 11 as follows:
(305 ILCS 20/11) (from Ch. 111 2/3, par. 1411)
Sec. 11. Payments to Energy Providers.
(a) When an energy provider supplies winter energy to a participant and customer, the provider shall be compensated by the State of Illinois pursuant to rules promulgated by the Department.
(b) Notwithstanding any other provision of this Act, if a participant in the energy assistance program under this Act resides in housing subsidized or developed with funds provided under the Rental Housing Support Program Act or under a similar locally funded rent subsidy program, the compensation paid under this Act to the energy provider who supplied winter energy to the participant shall be paid on behalf of the participant or, if the owner is responsible for providing winter energy, on behalf of the owner of the housing unit providing winter energy to the participant under the rent subsidy program.
(Source: P.A. 86-127; 87-14.)

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

The motion prevailed.
And the amendment was adopted and ordered printed.
There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Martinez, **Senate Bill No. 1629**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.
And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).
Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Silverstein, **Senate Bill No. 1631**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.
And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Silverstein, **Senate Bill No. 1632**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None; Present 2.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hunter	Meeks	Sullivan
Cronin	Hutchinson	Millner	Syverson
Crotty	Jacobs	Munoz	Trotter
Dahl	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	
Duffy	Kotowski	Radogno	

The following voted present:

DeLeo
Mr. President

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Trotter, **Senate Bill No. 1642**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator DeLeo, **Senate Bill No. 1648**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Murphy, **Senate Bill No. 1655**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Lightford, **Senate Bill No. 1657**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 23; NAYS 27; Present 2.

The following voted in the affirmative:

Collins	Hutchinson	Martinez	Silverstein
Crotty	Jacobs	Meeks	Steans
DeLeo	Jones, E.	Munoz	Sullivan
Delgado	Koehler	Noland	Trotter
Harmon	Lightford	Raoul	Mr. President
Hunter	Link	Sandoval	

The following voted in the negative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Luechtefeld	Risinger
Bomke	Garrett	McCarter	Schoenberg
Brady	Haine	Millner	Syverson

Burzynski	Holmes	Murphy	Viverito
Cronin	Jones, J.	Pankau	Wilhelmi
Dahl	Kotowski	Radogno	

The following voted present:

Clayborne
Maloney

This bill, having failed to receive the vote of a constitutional majority of the members elected, was declared lost, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

On motion of Senator Burzynski, **Senate Bill No. 1661**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS 3.

The following voted in the affirmative:

Althoff	Duffy	Lightford	Righter
Bivins	Forby	Link	Risinger
Bomke	Frerichs	Luechtefeld	Schoenberg
Bond	Garrett	Maloney	Silverstein
Brady	Haine	Martinez	Steans
Burzynski	Harmon	McCarter	Sullivan
Clayborne	Hendon	Meeks	Syverson
Collins	Holmes	Millner	Trotter
Cronin	Hunter	Munoz	Viverito
Crotty	Hutchinson	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	

The following voted in the negative:

Jacobs
Lauzen
Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

At the hour of 10:32 o'clock a.m., Senator Hendon, presiding.

On motion of Senator Murphy, **Senate Bill No. 1662**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Jacobs, **Senate Bill No. 1665**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Radogno
Bivins	Forby	Lauzen	Raoul
Bomke	Frerichs	Lightford	Righter
Bond	Garrett	Link	Risinger
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hunter	Meeks	Sullivan
Crotty	Hutchinson	Millner	Trotter
Dahl	Jacobs	Munoz	Viverito
DeLeo	Jones, E.	Murphy	Wilhelmi
Delgado	Jones, J.	Noland	Mr. President
Demuzio	Koehler	Pankau	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Bomke, **Senate Bill No. 1666**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 17; NAYS 37.

The following voted in the affirmative:

Althoff	Demuzio	Millner	Silverstein
Bomke	Duffy	Noland	Trotter
Bond	Frerichs	Pankau	
Dahl	Hutchinson	Radogno	
Delgado	McCarter	Righter	

The following voted in the negative:

Bivins	Haine	Link	Schoenberg
Brady	Harmon	Luechtefeld	Steans
Burzynski	Hendon	Maloney	Sullivan
Clayborne	Holmes	Martinez	Syverson
Collins	Hunter	Meeks	Viverito
Cronin	Jones, E.	Munoz	Wilhelmi
Crotty	Koehler	Murphy	Mr. President
DeLeo	Kotowski	Raoul	
Forby	Lauzen	Risinger	
Garrett	Lightford	Sandoval	

This bill, having failed to receive the vote of a constitutional majority of the members elected, was declared lost, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Senator Delgado asked and obtained unanimous consent for the Journal to reflect his negative vote on **Senate Bill No. 1666.**

On motion of Senator Murphy, **Senate Bill No. 1668**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 52; NAY 1.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Holmes	McCarter	Sullivan
Collins	Hunter	Meeks	Syverson
Cronin	Hutchinson	Millner	Trotter
Crotty	Jacobs	Munoz	Wilhelmi
Dahl	Jones, E.	Murphy	Mr. President
DeLeo	Jones, J.	Noland	
Delgado	Koehler	Pankau	
Demuzio	Kotowski	Radogno	
Duffy	Lauzen	Righter	

The following voted in the negative:

Raoul

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Noland, **Senate Bill No. 1670** was recalled from the order of third reading to the order of second reading.

Senator Noland offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1670

AMENDMENT NO. 1 . Amend Senate Bill 1670 by replacing everything after the enacting clause with the following:

"Section 5. The Circuit Courts Act is amended by adding Section 2k as follows:
(705 ILCS 35/2k new)
Sec. 2k. Additional circuit judge; 16th circuit. In addition to the number of circuit judges otherwise authorized by this Act, there shall be one additional circuit judge in the 16th circuit who shall be a resident of and elected from Kane County. The judgeship shall be filled by appointment until it is filled by election at the general election in November of 2010.

Section 10. The Associate Judges Act is amended by adding Sections 2.2 and 2.3 as follows:
(705 ILCS 45/2.2 new)
Sec. 2.2. Additional associate judge; 16th circuit. In addition to the number of associate judges authorized under Sections 2 and 2.1 of this Act, there shall be one additional associate judge appointed in the 16th circuit.
(705 ILCS 45/2.3 new)
Sec. 2.3. Additional associate judge; 17th circuit. In addition to the number of associate judges authorized under Sections 2 and 2.1 of this Act, there shall be one additional associate judge appointed in the 17th circuit.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Noland, **Senate Bill No. 1670**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS 3.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito

Crotty	Jacobs	Noland	Wilhelmi
Dahl	Jones, E.	Pankau	Mr. President
DeLeo	Jones, J.	Radogno	
Delgado	Koehler	Raoul	
Demuzio	Kotowski	Righter	

The following voted in the negative:

Duffy
Lauzen
Murphy

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Murphy, **Senate Bill No. 1675**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 49; NAYS 5.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Righter
Bivins	Frerichs	Lightford	Schoenberg
Bomke	Garrett	Link	Silverstein
Bond	Haine	Maloney	Steans
Brady	Harmon	McCarter	Sullivan
Burzynski	Hendon	Meeks	Syverson
Clayborne	Holmes	Millner	Trotter
Collins	Hunter	Munoz	Viverito
Crotty	Hutchinson	Murphy	Wilhelmi
Dahl	Jacobs	Noland	Mr. President
DeLeo	Jones, E.	Pankau	
Delgado	Jones, J.	Radogno	
Demuzio	Koehler	Raoul	

The following voted in the negative:

Cronin	Lauzen	Risinger
Duffy	Luechtefeld	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Murphy, **Senate Bill No. 1677**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hunter	Meeks	Sullivan
Crotty	Hutchinson	Millner	Syverson
Dahl	Jacobs	Munoz	Trotter
DeLeo	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	Mr. President
Duffy	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Demuzio, **Senate Bill No. 1683**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Link	Risinger
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Sullivan, **Senate Bill No. 1685**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Sandoval
Bond	Haine	Luechtefeld	Schoenberg
Brady	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Meeks	Trotter
Crotty	Hutchinson	Millner	Viverito
Dahl	Jacobs	Munoz	Wilhelmi
DeLeo	Jones, E.	Murphy	Mr. President
Delgado	Jones, J.	Noland	
Demuzio	Koehler	Pankau	
Duffy	Kotowski	Radogno	

The following voted present:

Risinger

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Hunter, **Senate Bill No. 1690** was recalled from the order of third reading to the order of second reading.

Senator Hunter offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1690

AMENDMENT NO. __1__. Amend Senate Bill 1690 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Mercury Thermostat Collection Act.

Section 5. Legislative Findings. The General Assembly finds that it is a goal of the State that programs to collect and recycle mercury thermostats that have been removed, replaced, or otherwise taken out of service should achieve a rate of at least 75 percent by 2014.

Section 10. Definitions.

"Agency" means the Illinois Environmental Protection Agency.

"Board" means the Illinois Pollution Control Board.

"Mercury thermostat" means a thermostat that meets the definition of a "mercury thermostat" under subdivision (f) of Section 22.23b of the Environmental Protection Act.

"Person" means any individual, partnership, co-partnership, firm, company, limited liability company, corporation, association, joint stock company, trust, estate, political subdivision, state agency, or any other legal entity, or its legal representative, agent, or assigns.

"Thermostat manufacturer" means a person that (i) produced a mercury thermostat sold in this State prior to July 1, 2008, or (ii) served as an importer or domestic distributor of a mercury thermostat produced outside of the United States and sold in this State prior to July 1, 2008. "Thermostat manufacturer" does not include retailers for whom importing is not their primary business.

"Thermostat retailer" means a person who sells thermostats of any kind primarily to retail consumers.

"Thermostat technician" means a person that removes, replaces, or otherwise takes out of service a mercury thermostat. "Thermostat technician" does not include an individual who removes, replaces, or

otherwise takes out of service a mercury thermostat that serves his or her own residence.

"Thermostat wholesaler" means a person who sells thermostats for resale.

Section 15. Mercury thermostat collection programs.

(a) Thermostat manufacturers must, individually or collectively, establish and maintain an Agency-approved program for the collection and recycling of mercury thermostats that have been removed, replaced, or otherwise taken out of service. The program must:

(1) include outreach and education efforts directed towards the following persons to inform them of the program and encourage their participation: thermostat wholesalers, thermostat technicians, thermostat retailers, and retail consumers;

(2) provide the following persons with containers to be used for the collection of mercury thermostats along with information regarding the proper management of mercury thermostats as universal waste in accordance with the Board's universal waste regulations:

(A) each thermostat wholesaler who requests to participate in the program as a mercury thermostat collection point;

(B) each thermostat technician that requests to participate in the program as a mercury thermostat collection point; and

(C) each thermostat retailer that requests to participate in the program as a mercury thermostat collection point;

(3) establish a financial incentive with a minimum value of $5.00 for the return of each mercury thermostat to a collection point participating in the program. The financial incentive shall be in the form of cash or in the form of a coupon that can be redeemed for cash from the thermostat manufacturer or can be redeemed for a credit toward purchase of merchandise from the wholesaler or in the retail location where the thermostat was returned. The incentive terminates on, and this subdivision (a)(3) does not apply after, December 31, 2015; and

(4) not include any fees or other charges to persons participating in the program, except that each thermostat wholesaler, thermostat technician, or thermostat retailer that is provided with one or more collection containers may be charged a program administration fee not to exceed $75 per collection container.

(a-5) The education and outreach efforts required under subdivision (a)(1) of this Section must include:

(A) The development of public service announcements promoting the proper management of mercury thermostats taken out of service.

(B) The creation and maintenance of a publicly accessible website for the dissemination of educational materials. The materials must be in a form and format that can be easily downloaded and printed. The Agency must be provided with a link to the website. The materials posted on the website must include, but are not limited to, all of the following:

(i) Signs designed to inform thermostat technicians and retail consumers of the program and encourage their participation. The signs must be designed so that they can be prominently displayed and will be easily visible to thermostat technicians and retail consumers.

(ii) Written materials, or templates of written materials, that thermostat wholesalers and thermostat retailers can provide to technicians and retail consumers at the time thermostats are purchased or delivered. The written material or templates must include, but are not limited to, information about the proper management of mercury thermostats taken out of service and opportunities for the collection of such thermostats.

(C) The development of strategies to contact and work with thermostat wholesalers, technicians, and retailers to secure support for, and participation in, the proper management of mercury thermostats taken out of service.

(D) The development of strategies to encourage support and participation by thermostat retailers to educate retail consumers on the proper management of mercury thermostats taken out of service.

(b) No later than January 1, 2010, thermostat manufacturers must, individually or collectively, submit to the Agency a plan for a mercury thermostat collection program. The plan must demonstrate that the collection program meets the requirements of subsection (a) of this Section. In reviewing a plan, the Agency may consider the plan's consistency with other thermostat manufacturer's collection plans in this State and mercury thermostat collection programs in other states. In addition, the Agency may consult with thermostat manufacturers, thermostat wholesalers, thermostat technicians, thermostat retailers, and environmental interest groups. Within 120 days after its receipt of a plan, the Agency must approve or deny the plan in writing. The Agency must approve

the plan, with or without modifications, if the thermostat manufacturer's collection program meets the requirements of subsection (a) of this Section. If the Agency denies the plan or approves the plan with conditions, the Agency's decision shall be subject to appeal to the Board in accordance with the procedures of Section 40 of the Environmental Protection Act for appealing permit denials or conditions.

(c) No later than September 1, 2010, thermostat manufacturers must, individually or collectively, implement an Agency-approved mercury thermostat collection program, including any modifications required by the Agency.

(d) No later than March 1, 2011, and no later than March 1 of each year thereafter, thermostat manufacturers must, individually or collectively, submit to the Agency a report on their mercury thermostat collection program that at a minimum contains the following information:

(1) the number of mercury thermostats collected under the program during the previous calendar year;

(2) the estimated total amount of mercury contained in the mercury thermostats collected under the program during the previous calendar year;

(3) an evaluation of the effectiveness of the program, including, but not limited to, the effectiveness of the incentives required under subdivision (a)(3) of this Section; and

(4) a list of all thermostat wholesalers, thermostat technicians, and thermostat retailers participating in the program as mercury thermostat collection points.

Section 20. Management of out-of-service mercury thermostats. Any thermostat technician, wholesaler, manufacturer, or retailer participating in the program must properly manage the mercury thermostat as universal waste in accordance with the Board's universal waste regulations.

Section 25. Certain prohibited activities. On and after July 1, 2010:

(1) No thermostat wholesaler may sell, offer to sell, distribute, or offer to distribute a non-mercury thermostat unless the wholesaler participates in one or more collection programs required under this Act as a mercury thermostat collection point.

(2) No thermostat technician may remove, replace, or otherwise take out of service a mercury thermostat unless the thermostat technician delivers it to a person participating in a collection program required under this Act as a mercury thermostat collection point.

Section 30. Information regarding the collection and recycling of mercury thermostats.

(a) No later than June 1, 2011, and no later than June 1 of each year thereafter, the Agency must post on its website information regarding the collection and recycling of mercury thermostats in this State. The information must include, but is not limited to, the following:

(1) a description of the collection programs established under this Act;

(2) a report on the thermostat manufacturers' progress towards achieving the collection goal set forth in Section 5 of this Act; and

(3) a list of all thermostat wholesalers, thermostat technicians, and thermostat retailers participating in the program as collection points.

(b) No later than December 31, 2014 the Agency shall report to the Governor and General Assembly regarding the effectiveness of the program and make recommendations for changes, and whether the incentives required under subdivision (a)(3) of Section 15 should be continued.

Section 35. Duty to investigate. The Agency has the duty to investigate violations of this Act.

Section 40. Penalties.

(a) Any thermostat manufacturer who violates any provision of this Act or fails to perform any duty imposed by this Act (i) is liable for a civil penalty not to exceed $1,000 for the first violation and an additional civil penalty not to exceed $1,000 for each day the first violation continues and (ii) is liable for a civil penalty not to exceed $5,000 for a second or subsequent violation and an additional civil penalty not to exceed $1,000 for each day the second or subsequent violation continues.

(b) Any thermostat wholesaler, thermostat technician, or thermostat retailer who violates any provision of this Act or fails to perform any duty imposed by this Act is liable for a civil penalty not to exceed $250 for the first violation and not to exceed $500 for a second or subsequent violation.

(c) The penalties provided for in this Section may be recovered in a civil action brought by the

Attorney General on behalf of the Agency and the People of the State of Illinois, or by the State's Attorney of the county in which the violation occurred. Without limiting any other authority that may exist for the awarding of attorney's fees and costs, a court of competent jurisdiction may award costs and reasonable attorney's fees, including the reasonable costs of expert witnesses and consultants, to the Attorney General or the State's Attorney in a case where he or she has prevailed against a person who has committed a willful, knowing, or repeated violation of this Act. Any funds collected under this Section in an action in which the Attorney General has prevailed must be deposited into the Hazardous Waste Fund established under the Environmental Protection Act. Any funds collected under this Section in an action in which a State's Attorney has prevailed shall be retained by the county in which he or she serves.

(d) The Attorney General or the State's Attorney of the county in which the violation occurred may, at the request of the Agency or on his or her own motion, institute a civil action for an injunction, prohibitory or mandatory, to restrain violations of this Act or to require such other actions as may be necessary to address violations of this Act.

(e) The penalties and injunctions provided in this Act are in addition to any penalties, injunctions, or other relief provided under any other law. Nothing in this Act bars a cause of action by the State for any other penalty, injunction, or relief provided by any other law.

Section 45. Recommendations to the Governor and the General Assembly. On or before January 1, 2011, the Agency shall investigate and make recommendations to the Governor and the General Assembly regarding strategies for improving the collection and proper management of mercury thermostats removed, replaced, or otherwise taken out of service by homeowners. In developing its recommendations, the Agency shall consult with thermostat manufacturers, thermostat retailers, local governments, recycling associations, environmental interest groups, and other appropriate stakeholder groups. The Agency shall identify the best available options for collecting mercury thermostats from homeowners taking into account such considerations as cost and convenience, safety and training, education and outreach needs, and shared responsibilities for implementing the collection and recycling program.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Hunter, **Senate Bill No. 1690**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Raoul
Bivins	Forby	Lightford	Righter
Bomke	Frerichs	Link	Risinger
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Trotter
Crotty	Hutchinson	Munoz	Viverito
Dahl	Jones, E.	Murphy	Wilhelmi

DeLeo	Jones, J.	Noland	Mr. President
Delgado	Koehler	Pankau	
Demuzio	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Althoff, **Senate Bill No. 1691**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Kotowski, **Senate Bill No. 1698** was recalled from the order of third reading to the order of second reading.

Senator Kotowski offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1698

AMENDMENT NO. __1__. Amend Senate Bill 1698 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Task Force on Higher Education Private Student Loans.

Section 5. Legislative findings. The General Assembly makes all of the following findings:

(1) Today, private loans constitute 20% of total education loan money, whereas 10 years ago private loans constituted 5% of student loans.

(2) Tuition at public universities has risen 57% in the past 5 years.

(3) Between 2000-2001 and 2005-2006, private student loan volume grew at an average

rate of 27% to a total of $17.3 billion.

(4) Borrowers who do not complete their degrees are 10 times as likely to default on their loan and twice as likely to be unemployed.

(5) Predatory and subprime lending practices have caused a crisis in the housing and real estate industry, and it is the interest of all parties involved to avoid a similar crisis involving private student loans.

Section 10. Creation of task force. There is created the Task Force on Higher Education Private Student Loans consisting of all of the following members:

(1) One member each appointed by the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives.

(2) One member appointed by the State Treasurer to serve as chairperson of the Task Force.

(3) One member appointed by the Attorney General.

(4) Members appointed by the Governor as follows:

(A) One member from the Governor's staff.

(B) One member representing a banking organization.

(C) One member representing a community banking organization.

(D) One member representing a credit union.

(E) One member representing private schools and universities.

(F) One member representing a student loan corporation.

(5) The executive director of the Board of Higher Education or his or her designee.

(6) The executive director of the Illinois Community College Board or his or her designee.

(7) The executive director of the Illinois Student Assistance Commission or his or her designee to serve as the co-chairperson of the Task Force.

(8) The 2 student members of the Board of Higher Education or their designees.

(9) The student member of the Illinois Community College Board or his or her designee.

(10) The director of the Division of Financial Institutions of the Department of Financial and Professional Regulation or his or her designee.

Section 15. Duties. The duties of the Task Force on Higher Education Private Student Loans shall include without limitation all of the following:

(1) To investigate the rates, fees, and terms associated with private student loans made to students in this State.

(2) To investigate how rates, fees, and terms impact the accessibility of private student loans, affordability of student loans, and choice of institution students have.

(3) To investigate the impact rates, fees, and terms have on students after graduation, specifically the following:

(A) The amount of debt they carry.

(B) The impact on pursuing post-graduate degrees.

(C) The ability to repay their loans.

(4) To investigate how the impact of rising tuition has affected the types of loans available.

(5) To assess the impact capping private student loan fees charged by lenders would have in the following areas:

(A) Accessibility of private student loans.

(B) Affordability of private student loans.

(C) Impact on choice of institution.

(6) To investigate how many private student loans are in default or are not able to be repaid.

(7) To investigate what rates, fees, and terms are common to those private student loans in default.

(8) To assess what impact loan defaults have on lending institutions.

(9) To assess the impact a loan default has on the borrower.

(10) To study what additional disclosures can be made to students regarding high risk

loans, financial information, financial choices, and financial aid available.

(11) To investigate what higher education institutions can do to advise students on their financial aid and loan resources.

(12) To investigate if race and ethnicity are a factor in the rates, fees, and terms associated with private student loans.

Section 20. Task Force assistance. The Office of the State Treasurer shall be responsible for administrative and logistical support of the Task Force on Higher Education Private Student Loans, including coordination of Task Force member appointments, distribution of meeting notices and minutes, coordination of meeting logistics, facilitation of public meetings, and the drafting and filing of the report under Section 25 of this Act. The Illinois Student Assistance Commission shall be responsible for providing a staff liaison to the Task Force, data collection, and survey design. Task Force members or the staff liaison or both may confer and collaborate with relevant State and national organizations with expertise.

Section 25. Report; dissolution of Task Force. The Task Force on Higher Education Private Student Loans shall report its findings and recommendations to the General Assembly by filing copies of its report by December 31, 2010 as provided in Section 3.1 of the General Assembly Organization Act. Upon filing this report the Task Force is dissolved.

Section 90. Expiration of Act. This Act is repealed on January 1, 2011.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Kotowski, **Senate Bill No. 1698**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hunter	Meeks	Sullivan
Cronin	Hutchinson	Millner	Syverson
Crotty	Jacobs	Munoz	Trotter
Dahl	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	Mr. President
Duffy	Kotowski	Radogno	

The following voted present:

DeLeo

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Hunter, **Senate Bill No. 1704** was recalled from the order of third reading to the order of second reading.

Senator Hunter offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1704

AMENDMENT NO. _2_. Amend Senate Bill 1704 on page 4, line 4, by replacing ""Facility"" with ""MR/DD facility" or "facility""; and

on page 206, line 9, before the comma, by inserting "or the MR/DD Community Care Act".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Hunter, **Senate Bill No. 1704**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Raoul
Bivins	Forby	Lightford	Righter
Bomke	Frerichs	Link	Risinger
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jones, E.	Murphy	Viverito
DeLeo	Jones, J.	Noland	Wilhelmi
Delgado	Koehler	Pankau	Mr. President
Demuzio	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Raoul, **Senate Bill No. 1705** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1705

AMENDMENT NO. 2 . Amend Senate Bill 1705 as follows:

on page 5, line 13, by replacing "representative" with "representative,"; and

on page 5, line 25, by replacing "courting" with "court in".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Raoul, **Senate Bill No. 1705**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Radogno
Bivins	Forby	Lauzen	Raoul
Bomke	Frerichs	Lightford	Righter
Bond	Garrett	Link	Risinger
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hunter	Meeks	Sullivan
Crotty	Hutchinson	Millner	Syverson
Dahl	Jacobs	Munoz	Trotter
DeLeo	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Raoul, **Senate Bill No. 1706** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1706

AMENDMENT NO. 1 . Amend Senate Bill 1706 by replacing everything after the enacting clause with the following:

"Section 5. The Juvenile Court Act of 1987 is amended by changing Sections 5-410 and 5-740 as follows:

(705 ILCS 405/5-410)

Sec. 5-410. Non-secure custody or detention.

(1) Any minor arrested or taken into custody pursuant to this Act who requires care away from his or her home but who does not require secured custody pursuant to paragraph (a) of subsection (2) ~~physical restriction~~ shall be given temporary care in a foster family home or other shelter facility designated by the court.

(2) (a) Any minor 10 years of age or older arrested pursuant to this Act where there is probable cause to believe that the minor is a delinquent minor and that (i) secured custody is a matter of immediate and urgent necessity for the protection of the minor or of the person or property of another, (ii) the minor is likely to flee the jurisdiction of the court, or (iii) the minor was taken into custody under a warrant, may be kept or detained in an authorized detention facility. No minor under 12 years of age shall be detained in a county jail or a municipal lockup for more than 6 hours. Where a court orders a minor to be kept or detained in a facility authorized for juvenile detention in accordance with this Act and it appears from the record that, not withstanding the order of detention, removal of the minor from the minor's home may also be in the minor's best interest, the court shall further determine whether the removal is, in fact, in the best interests of the minor, consistent with paragraphs (a-5) and (a-10) of this subsection (2) and shall include such findings on the initial court order authorizing the detention.

(a-5) For any minor determined to need care away from home in foster care or shelter care, but who does not require secured custody pursuant to paragraph (a) of this subsection (2) the court shall order, in accordance with subsection (1) of this Section, consistent with the health, safety, and best interests of the minor, the removal because the minor's home cannot provide the quality of care and level of support and supervision the minor needs at the time. Removal from the home may be in the minor's and community's best interest for any of the following reasons: (i) the minor is without the care necessary for the minor's well-being through no fault or lack of concern by a parent, guardian, custodian, or other person, (ii) the minor has no parent, guardian, custodian, or other person able to return the minor to the court when required, or (iii) for the protection of the minor.

(a-10) For any minor who does not require secured custody pursuant to paragraph (a) of this subsection (2) and who is determined to need care away from home in foster care or shelter care the court, in accordance with paragraph (a) of this subsection (2), shall further find that reasonable efforts have been made or that, consistent with the health, safety, and best interests of the minor and the community, no efforts reasonably can be made to prevent or eliminate the necessity of removal of the minor from his or her home. The court shall require documentation from the Probation Department as to the reasonable efforts that were made to prevent or eliminate the necessity of removal of the minor from his or her home or the reasons why no efforts reasonably could be made to prevent or eliminate the necessity of removal.

In making its findings that it is consistent with the health, safety, and best interests of the minor and the community to prescribe shelter care, the court shall state in writing: (i) the factual basis supporting its findings concerning the immediate and urgent necessity for the protection of the minor, (ii) the factual basis for the finding of the minor's and community's best interests, and (iii) the factual basis supporting its findings that reasonable efforts were made to prevent or eliminate the removal of the minor from his or her home or that no efforts reasonably could be made to prevent or eliminate the removal of the minor from his or her home.

Once the court determines that the minor requires care away from home for the protection of the minor and places the minor in a shelter care facility or foster care, the minor shall not be returned to the parent, custodian, or guardian until the court finds that such placement is no longer necessary for the protection of the minor.

(a-15) If the court determines that the minor requires care away from home for the protection of the minor and places the minor in a shelter care facility, there shall be a rebuttable presumption that such findings comply with the factors outlined in paragraphs (a-5) and (a-10) of this subsection (2).

(b) The written authorization of the probation officer or detention officer (or other public officer designated by the court in a county having 3,000,000 or more inhabitants) constitutes authority for the superintendent of any juvenile detention home to detain and keep a minor for up to 40 hours, excluding Saturdays, Sundays and court-designated holidays. These records shall be available to the same persons and pursuant to the same conditions as are law enforcement records as provided in Section 5-905.

(b-4) The consultation required by subsection (b-5) shall not be applicable if the probation officer or detention officer (or other public officer designated by the court in a county having 3,000,000 or more inhabitants) utilizes a scorable detention screening instrument, which has been developed with input by

the State's Attorney, to determine whether a minor should be detained, however, subsection (b-5) shall still be applicable where no such screening instrument is used or where the probation officer, detention officer (or other public officer designated by the court in a county having 3,000,000 or more inhabitants) deviates from the screening instrument.

(b-5) Subject to the provisions of subsection (b-4), if a probation officer or detention officer (or other public officer designated by the court in a county having 3,000,000 or more inhabitants) does not intend to detain a minor for an offense which constitutes one of the following offenses he or she shall consult with the State's Attorney's Office prior to the release of the minor: first degree murder, second degree murder, involuntary manslaughter, criminal sexual assault, aggravated criminal sexual assault, aggravated battery with a firearm, aggravated or heinous battery involving permanent disability or disfigurement or great bodily harm, robbery, aggravated robbery, armed robbery, vehicular hijacking, aggravated vehicular hijacking, vehicular invasion, arson, aggravated arson, kidnapping, aggravated kidnapping, home invasion, burglary, or residential burglary.

(c) Except as otherwise provided in paragraph (a), (d), or (e), no minor shall be detained in a county jail or municipal lockup for more than 12 hours, unless the offense is a crime of violence in which case the minor may be detained up to 24 hours. For the purpose of this paragraph, "crime of violence" has the meaning ascribed to it in Section 1-10 of the Alcoholism and Other Drug Abuse and Dependency Act.

(i) The period of detention is deemed to have begun once the minor has been placed in a locked room or cell or handcuffed to a stationary object in a building housing a county jail or municipal lockup. Time spent transporting a minor is not considered to be time in detention or secure custody.

(ii) Any minor so confined shall be under periodic supervision and shall not be permitted to come into or remain in contact with adults in custody in the building.

(iii) Upon placement in secure custody in a jail or lockup, the minor shall be informed of the purpose of the detention, the time it is expected to last and the fact that it cannot exceed the time specified under this Act.

(iv) A log shall be kept which shows the offense which is the basis for the detention, the reasons and circumstances for the decision to detain and the length of time the minor was in detention.

(v) Violation of the time limit on detention in a county jail or municipal lockup shall not, in and of itself, render inadmissible evidence obtained as a result of the violation of this time limit. Minors under 17 years of age shall be kept separate from confined adults and may not at any time be kept in the same cell, room or yard with adults confined pursuant to criminal law. Persons 17 years of age and older who have a petition of delinquency filed against them may be confined in an adult detention facility. In making a determination whether to confine a person 17 years of age or older who has a petition of delinquency filed against the person, these factors, among other matters, shall be considered:

(A) The age of the person;

(B) Any previous delinquent or criminal history of the person;

(C) Any previous abuse or neglect history of the person; and

(D) Any mental health or educational history of the person, or both.

(d) (i) If a minor 12 years of age or older is confined in a county jail in a county with a population below 3,000,000 inhabitants, then the minor's confinement shall be implemented in such a manner that there will be no contact by sight, sound or otherwise between the minor and adult prisoners. Minors 12 years of age or older must be kept separate from confined adults and may not at any time be kept in the same cell, room, or yard with confined adults. This paragraph (d)(i) shall only apply to confinement pending an adjudicatory hearing and shall not exceed 40 hours, excluding Saturdays, Sundays and court designated holidays. To accept or hold minors during this time period, county jails shall comply with all monitoring standards promulgated by the Department of Corrections and training standards approved by the Illinois Law Enforcement Training Standards Board.

(ii) To accept or hold minors, 12 years of age or older, after the time period prescribed in paragraph (d)(i) of this subsection (2) of this Section but not exceeding 7 days including Saturdays, Sundays and holidays pending an adjudicatory hearing, county jails shall comply with all temporary detention standards promulgated by the Department of Corrections and training standards approved by the Illinois Law Enforcement Training Standards Board.

(iii) To accept or hold minors 12 years of age or older, after the time period prescribed in paragraphs (d)(i) and (d)(ii) of this subsection (2) of this Section, county jails shall comply with all programmatic and training standards for juvenile detention homes promulgated by the Department of Corrections.

(e) When a minor who is at least 15 years of age is prosecuted under the criminal laws of this State,

the court may enter an order directing that the juvenile be confined in the county jail. However, any juvenile confined in the county jail under this provision shall be separated from adults who are confined in the county jail in such a manner that there will be no contact by sight, sound or otherwise between the juvenile and adult prisoners.

(f) For purposes of appearing in a physical lineup, the minor may be taken to a county jail or municipal lockup under the direct and constant supervision of a juvenile police officer. During such time as is necessary to conduct a lineup, and while supervised by a juvenile police officer, the sight and sound separation provisions shall not apply.

(g) For purposes of processing a minor, the minor may be taken to a County Jail or municipal lockup under the direct and constant supervision of a law enforcement officer or correctional officer. During such time as is necessary to process the minor, and while supervised by a law enforcement officer or correctional officer, the sight and sound separation provisions shall not apply.

(3) If the probation officer or State's Attorney (or such other public officer designated by the court in a county having 3,000,000 or more inhabitants) determines that the minor may be a delinquent minor as described in subsection (3) of Section 5-105, and should be retained in custody but does not require physical restriction, the minor may be placed in non-secure custody for up to 40 hours pending a detention hearing.

(4) Any minor taken into temporary custody, not requiring secure detention, may, however, be detained in the home of his or her parent or guardian subject to such conditions as the court may impose.
(Source: P.A. 93-255, eff. 1-1-04.)

(705 ILCS 405/5-740)

Sec. 5-740. Placement; legal custody or guardianship.

(1) As to a minor adjudged a ward of the court, if the court finds that the minor's home cannot provide the quality of care and level of support and supervision the minor needs at the time and that the removal of the minor from the home is in the minor's and community's best interest for any of the following reasons: (i) the minor is without the care necessary for the minor's well being through no fault or lack of concern by a parent, guardian, custodian, or other person, or (ii) for the protection of the minor, the court may:

(a) place him or her in the custody of a suitable relative or other person;

(b) place him or her under the temporary guardianship of a probation officer;

(c) commit him or her to an agency for care or placement, except an institution under the authority of the Department of Corrections, the Department of Juvenile Justice or of the Department of Children and Family Services;

(d) commit him or her to some licensed training school or industrial school, or

(e) commit him or her to any appropriate institution having among its purposes the care of delinquent children, including a child protective facility maintained by a child protection district serving the county from which commitment is made, but not including any institution under the authority of the Department of Corrections, the Department of Juvenile Justice, or of the Department of Children and Family Services. As to any minor adjudged a ward of the court who is determined to need care away from home in placement pursuant to subsection (1) above the court, in accordance with this subsection (1), shall further find that reasonable efforts have been made or that, consistent with the health, safety and best interests of the minor and the community, no efforts reasonably can be made to prevent or eliminate the necessity of removal of the minor from his or her home. The court shall require documentation from the Probation Department as to the reasonable efforts that were made to prevent or eliminate the necessity of removal of the minor from his or her home or the reasons why no efforts reasonably could be made to prevent or eliminate the necessity of removal.

In making its findings that it is consistent with the health, safety and best interests of the minor and the community to remove the minor from the home the court shall state in writing the factual basis for the finding of the minor's and community's best interests, and the factual basis supporting its findings that reasonable efforts were made to prevent or eliminate the removal of the minor from his or her home or that no efforts reasonably could be made to prevent or eliminate the removal of the minor from his or her home.

If the court finds that the removal of a minor adjudged a ward of the court from his home is in the best interest of the minor and community and the court finds that it is for the protection of the minor, the minor shall not be returned to the parent, custodian, or guardian until the court finds that such placement is no longer necessary for the protection of the minor. ~~If the court finds that the parents, guardian, or legal custodian of a minor adjudged a ward of the court are unfit or are unable, for some reason other than financial circumstances alone, to care for, protect, train or discipline the minor or are unwilling to do so, and that appropriate services aimed at family preservation and family reunification have been~~

~~unsuccessful in rectifying the conditions which have led to a finding of unfitness or inability to care for, protect, train or discipline the minor, and that it is in the best interest of the minor to take him or her from the custody of his or her parents, guardian or custodian, the court may:~~

~~(a) place him or her in the custody of a suitable relative or other person;~~

~~(b) place him or her under the guardianship of a probation officer;~~

~~(c) commit him or her to an agency for care or placement, except an institution under the authority of the Department of Corrections or of the Department of Children and Family Services;~~

~~(d) commit him or her to some licensed training school or industrial school; or~~

~~(e) commit him or her to any appropriate institution having among its purposes the care of delinquent children, including a child protective facility maintained by a child protection district serving the county from which commitment is made, but not including any institution under the authority of the Department of Corrections or of the Department of Children and Family Services.~~

(2) When making such placement, the court, wherever possible, shall select a person holding the same religious belief as that of the minor or a private agency controlled by persons of like religious faith of the minor and shall require the Department of Children and Family Services to otherwise comply with Section 7 of the Children and Family Services Act in placing the child. In addition, whenever alternative plans for placement are available, the court shall ascertain and consider, to the extent appropriate in the particular case, the views and preferences of the minor.

(3) When a minor is placed with a suitable relative or other person, the court shall appoint him or her the legal custodian or guardian of the person of the minor. When a minor is committed to any agency, the court shall appoint the proper officer or representative of the proper officer as legal custodian or guardian of the person of the minor. Legal custodians and guardians of the person of the minor have the respective rights and duties set forth in subsection (9) of Section 5-105 except as otherwise provided by order of court; but no guardian of the person may consent to adoption of the minor. An agency whose representative is appointed guardian of the person or legal custodian of the minor may place him or her in any child care facility, but the facility must be licensed under the Child Care Act of 1969 or have been approved by the Department of Children and Family Services as meeting the standards established for such licensing. Like authority and restrictions shall be conferred by the court upon any probation officer who has been appointed guardian of the person of a minor.

(4) No placement by any probation officer or agency whose representative is appointed guardian of the person or legal custodian of a minor may be made in any out of State child care facility unless it complies with the Interstate Compact on the Placement of Children.

(5) The clerk of the court shall issue to the guardian or legal custodian of the person a certified copy of the order of court, as proof of his or her authority. No other process is necessary as authority for the keeping of the minor.

(6) Legal custody or guardianship granted under this Section continues until the court otherwise directs, but not after the minor reaches the age of 21 years except as set forth in Section 5-750.

(7) Whenever a minor is removed from home and placed in foster care or other residential placement and the county will be responsible for the costs of such placement under Section 6-7 of this Act, then the Court shall order that the Probation Department shall be responsible for the child's placement, care, and control until such time as the Court finds that such placement is no longer required.

(Source: P.A. 90-590, eff. 1-1-99.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Raoul, **Senate Bill No. 1706**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Raoul, **Senate Bill No. 1708**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Raoul, **Senate Bill No. 1710**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Schoenberg
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hunter	Meeks	Trotter
Crotty	Hutchinson	Millner	Viverito
Dahl	Jacobs	Murphy	Wilhelmi
DeLeo	Jones, E.	Noland	Mr. President
Delgado	Jones, J.	Pankau	
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Clayborne, **Senate Bill No. 1718**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lightford	Righter
Bivins	Forby	Link	Risinger
Bomke	Frerichs	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Harmon	Martinez	Silverstein
Burzynski	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Murphy	Viverito
Dahl	Jones, E.	Noland	Wilhelmi
DeLeo	Koehler	Pankau	Mr. President
Delgado	Kotowski	Radogno	
Demuzio	Lauzen	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Crotty, **Senate Bill No. 1722**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Raoul, **Senate Bill No. 1725** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1725

AMENDMENT NO. _2_. Amend Senate Bill 1725 by replacing everything after the enacting clause with the following:

"Section 5. The Children and Family Services Act is amended by changing Section 17a-5 as follows:

(20 ILCS 505/17a-5) (from Ch. 23, par. 5017a-5)

Sec. 17a-5. The Department of Human Services shall be successor to the Department of Children and Family Services in the latter Department's capacity as successor to the Illinois Law Enforcement Commission in the functions of that Commission relating to juvenile justice and the federal Juvenile Justice and Delinquency Prevention Act of 1974 as amended, and shall have the powers, duties and functions specified in this Section relating to juvenile justice and the federal Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

(1) Definitions. As used in this Section:

(a) "juvenile justice system" means all activities by public or private agencies or persons pertaining to the handling of youth involved or having contact with the police, courts or corrections;

(b) "unit of general local government" means any county, municipality or other general purpose political subdivision of this State;

(c) "Commission" means the Illinois Juvenile Justice Commission provided for in Section 17a-9 of this Act.

(2) Powers and Duties of Department. The Department of Human Services shall serve as the official State Planning Agency for juvenile justice for the State of Illinois and in that capacity is authorized and empowered to discharge any and all responsibilities imposed on such bodies by the federal Juvenile Justice and Delinquency Prevention Act of 1974, as amended, specifically the deinstitutionalization of status offenders, separation of juveniles and adults in municipal and county jails, removal of juveniles from county and municipal jails and monitoring of compliance with these mandates. In furtherance thereof, the Department has the powers and duties set forth in paragraphs 3 through 15 of this Section:

(3) To develop annual comprehensive plans based on analysis of juvenile crime problems and juvenile

justice and delinquency prevention needs in the State, for the improvement of juvenile justice throughout the State, such plans to be in accordance with the federal Juvenile Justice and Delinquency Prevention Act of 1974, as amended;

(4) To define, develop and correlate programs and projects relating to administration of juvenile justice for the State and units of general local government within the State or for combinations of such units for improvement in law enforcement:

(5) To advise, assist and make recommendations to the Governor as to how to achieve a more efficient and effective juvenile justice system;

(5.1) To develop recommendations to ensure the effective reintegration of youth offenders into communities to which they are returning. The Illinois Juvenile Justice Commission, utilizing available information provided by the Department of Juvenile Justice, the Prisoner Review Board, the Illinois Criminal Justice Information Authority, and any other relevant State agency, shall develop by September 30, 2009, a report on juveniles who have been the subject of a parole revocation within the past year in Illinois. The report shall provide information on the number of youth confined in the Department of Juvenile Justice for revocation based on a technical parole violation, the length of time the youth spent on parole prior to the revocation, the nature of the committing offense that served as the basis for the original commitment, demographic information including age, race, sex, and zip code of the underlying offense and the conduct leading to revocation. In addition, the Juvenile Justice Commission shall develop recommendations to:

(A) recommend the development of a tracking system to provide quarterly statewide reports on youth released from the Illinois Department of Juvenile Justice including lengths of stay in the Illinois Department of Juvenile Justice prior to release, length of monitoring post-release, pre-release services provided to each youth, violations of release conditions including length of release prior to violation, nature of violation, and intermediate sanctions offered prior to violation;

(B) recommend outcome measures of educational attainment, employment, homelessness, recidivism, and other appropriate measures that can be used to assess the performance of the State of Illinois in operating youth offender reentry programs.

The Juvenile Justice Commission shall include information and recommendations on the effectiveness of the State's juvenile reentry programming, including progress on the recommendations in subparagraphs (A) and (B) of this paragraph (5.1), in its annual submission of recommendations to the Governor and the General Assembly on matters relative to its function, and in its annual juvenile justice plan. This paragraph (5.1) may be cited as the Youth Reentry Improvement Law of 2009;

(6) To act as a central repository for federal, State, regional and local research studies, plans, projects, and proposals relating to the improvement of the juvenile justice system;

(7) To act as a clearing house for information relating to all aspects of juvenile justice system improvement;

(8) To undertake research studies to aid in accomplishing its purposes;

(9) To establish priorities for the expenditure of funds made available by the United States for the improvement of the juvenile justice system throughout the State;

(10) To apply for, receive, allocate, disburse, and account for grants of funds made available by the United States pursuant to the federal Juvenile Justice and Delinquency Prevention Act of 1974, as amended; and such other similar legislation as may be enacted from time to time in order to plan, establish, operate, coordinate, and evaluate projects directly or through grants and contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system;

(11) To insure that no more than the maximum percentage of the total annual State allotment of juvenile justice funds be utilized for the administration of such funds;

(12) To provide at least 66-2/3 per centum of funds received by the State under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, are expended through:

(a) programs of units of general local government or combinations thereof, to the extent such programs are consistent with the State plan; and

(b) programs of local private agencies, to the extent such programs are consistent with the State plan;

(13) To enter into agreements with the United States government which may be required as a condition of obtaining federal funds;

(14) To enter into contracts and cooperate with units of general local government or combinations of such units, State agencies, and private organizations of all types, for the purpose of carrying out the duties of the Department imposed by this Section or by federal law or regulations;

(15) To exercise all other powers that are reasonable and necessary to fulfill its functions under applicable federal law or to further the purposes of this Section.
(Source: P.A. 89-507, eff. 7-1-97.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Raoul, **Senate Bill No. 1725**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Raoul
Bivins	Forby	Lightford	Righter
Bomke	Frerichs	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hunter	Meeks	Sullivan
Cronin	Hutchinson	Millner	Syverson
Crotty	Jacobs	Munoz	Trotter
Dahl	Jones, E.	Murphy	Viverito
DeLeo	Jones, J.	Noland	Wilhelmi
Delgado	Koehler	Pankau	Mr. President
Demuzio	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Schoenberg, **Senate Bill No. 1729**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 52; NAYS None.

The following voted in the affirmative:

Althoff	Frerichs	Lightford	Risinger
Bivins	Garrett	Link	Sandoval
Bomke	Haine	Luechtefeld	Schoenberg
Bond	Harmon	Maloney	Silverstein
Brady	Hendon	Martinez	Steans
Clayborne	Holmes	McCarter	Sullivan

Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Schoenberg, **Senate Bill No. 1732**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Link	Risinger
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Link, **Senate Bill No. 1736**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Frerichs	Lightford	Righter
Bivins	Garrett	Link	Risinger
Bomke	Haine	Luechtefeld	Sandoval
Bond	Harmon	Maloney	Schoenberg
Brady	Hendon	Martinez	Silverstein

Clayborne	Holmes	McCarter	Steans
Collins	Hunter	Meeks	Sullivan
Cronin	Hutchinson	Millner	Syverson
Dahl	Jacobs	Munoz	Trotter
DeLeo	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	Mr. President
Duffy	Kotowski	Radogno	
Forby	Lauzen	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Demuzio, **Senate Bill No. 1737**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Demuzio, **Senate Bill No. 1738**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lightford	Righter
Bivins	Forby	Link	Risinger
Bomke	Frerichs	Luechtefeld	Sandoval
Bond	Garrett	Maloney	Schoenberg

Brady	Haine	Martinez	Silverstein
Burzynski	Harmon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Murphy	Viverito
Dahl	Jones, E.	Noland	Wilhelmi
DeLeo	Koehler	Pankau	Mr. President
Delgado	Kotowski	Radogno	
Demuzio	Lauzen	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Hendon asked and obtained unanimous consent for the Journal to reflect his affirmative vote on **Senate Bill No. 1738**.

On motion of Senator J. Jones, **Senate Bill No. 1743**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Noland, **Senate Bill No. 1750**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 35; NAYS 19; Present 1.

The following voted in the affirmative:

Bond	Garrett	Lightford	Schoenberg
Clayborne	Haine	Link	Silverstein
Collins	Harmon	Maloney	Steans
Crotty	Hendon	Martinez	Sullivan
DeLeo	Hutchinson	Meeks	Trotter
Delgado	Jacobs	Munoz	Viverito
Demuzio	Jones, E.	Noland	Wilhelmi
Forby	Koehler	Raoul	Mr. President
Frerichs	Kotowski	Sandoval	

The following voted in the negative:

Althoff	Cronin	Luechtefeld	Radogno
Bivins	Dahl	McCarter	Righter
Bomke	Duffy	Millner	Risinger
Brady	Jones, J.	Murphy	Syverson
Burzynski	Lauzen	Pankau	

The following voted present:

Holmes

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Steans, **Senate Bill No. 1769** was recalled from the order of third reading to the order of second reading.

Senator Steans offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1769

AMENDMENT NO. 2 . Amend Senate Bill 1769, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by adding Sections 10-20.46 and 34-18.37 as follows:

(105 ILCS 5/10-20.46 new)

Sec. 10-20.46. Compliance with Chemical Safety Acts. Each school district must adopt a procedure to comply with the requirements of the Lawn Care Products Application and Notice Act and the Structural Pest Control Act. The school district must designate a staff person who is responsible for compliance with the requirements of these Acts.

(105 ILCS 5/34-18.37 new)

Sec. 34-18.37. Compliance with Chemical Safety Acts. The Board of Education must adopt a procedure to comply with the requirements of the Lawn Care Products Application and Notice Act and the Structural Pest Control Act. The superintendent must designate a staff person who is responsible for compliance with the requirements of these Acts.

Section 12. The Child Care Act of 1969 is amended by changing Section 5.6 as follows:

(225 ILCS 10/5.6)

Sec. 5.6. Pesticide and lawn care product application at day care centers.

(a) Licensed day care centers shall abide by the requirements of Sections 10.2 and 10.3 of the Structural Pest Control Act.

(b) Notification required pursuant to Section 10.3 of the Structural Pest Control Act may not be given more than 30 days before the application of the pesticide.

(c) Each licensed day care center, subject to the requirements of Section 10.3 of the Structural Pest Control Act, must ensure that pesticides will not be applied when children are present at the center. Toys

and other items mouthed or handled by the children must be removed from the area before pesticides are applied. Children must not return to the treated area within 2 hours after a pesticide application or as specified on the pesticide label, whichever time is greater.

(d) The owners and operators of licensed day care centers must ensure that lawn care products will not be applied to day care center grounds when children are present at the center or on its grounds. For the purpose of this Section, "lawn care product" has the same meaning as that term is defined in the Lawn Care Products Application and Notice Act.

(Source: P.A. 93-381, eff. 7-1-04.)"; and

Section 15. The Lawn Care Products Application and Notice Act is amended by changing Sections 2, 3, and 6 as follows:

(415 ILCS 65/2) (from Ch. 5, par. 852)

Sec. 2. Definitions.

For purposes of this Act:

"Application" means the spreading of lawn care products on a lawn.

"Applicator for hire" means any person who makes an application of lawn care products to a lawn or lawns for compensation, including applications made by an employee to lawns owned, occupied or managed by his employer and includes those licensed by the Department as licensed commercial applicators, commercial not-for-hire applicators, licensed public applicators, certified applicators and licensed operators and those otherwise subject to the licensure provisions of the Illinois Pesticide Act, as now or hereafter amended.

"Day care center" means any facility that qualifies as a "day care center" under the Child Care Act of 1969.

"Department" means the Illinois Department of Agriculture.

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

"Facility" means a building or structure and appurtenances thereto used by an applicator for hire for storage and handling of pesticides or the storage or maintenance of pesticide application equipment or vehicles.

"Fertilizer" means any substance containing nitrogen, phosphorus or potassium or other recognized plant nutrient or compound, which is used for its plant nutrient content.

"Golf course" means an area designated for the play or practice of the game of golf, including surrounding grounds, trees, ornamental beds and the like.

"Golf course superintendent" means any person entrusted with and employed for the care and maintenance of a golf course.

"Lawn" means land area covered with turf kept closely mown or land area covered with turf and trees or shrubs. The term does not include (1) land area used for research for agricultural production or for the commercial production of turf, (2) land area situated within a public or private right-of-way, or (3) land area which is devoted to the production of any agricultural commodity, including, but not limited to plants and plant parts, livestock and poultry and livestock or poultry products, seeds, sod, shrubs and other products of agricultural origin raised for sale or for human or livestock consumption.

"Lawn care products" means fertilizers or pesticides applied or intended for application to lawns.

"Person" means any individual, partnership, association, corporation or State governmental agency, school district, unit of local government and any agency thereof.

"Pesticide" means any substance or mixture of substances defined as a pesticide under the Illinois Pesticide Act, as now or hereafter amended.

"Plant protectants" means any substance or material used to protect plants from infestation of insects, fungi, weeds and rodents, or any other substance that would benefit the overall health of plants.

"Turf" means the upper stratum of soils bound by grass and plant roots into a thick mat.

(Source: P.A. 86-358.)

(415 ILCS 65/3) (from Ch. 5, par. 853)

Sec. 3. Notification requirements for application of lawn care products.

(a) Lawn Markers.

(1) Immediately following application of lawn care products to a lawn, other than a golf course, an applicator for hire shall place a lawn marker at the usual point or points of entry.

(2) The lawn marker shall consist of a 4 inch by 5 inch sign, vertical or horizontal, attached to the upper portion of a dowel or other supporting device with the bottom of the marker extending no less than 12 inches above the turf.

(3) The lawn marker shall be white and lettering on the lawn marker shall be in a contrasting color. The marker shall state on one side, in letters of not less than 3/8 inch, the following:

"LAWN CARE APPLICATION - STAY OFF GRASS UNTIL DRY - FOR MORE INFORMATION CONTACT: (here shall be inserted the name and business telephone number of the applicator for hire)."

(4) The lawn marker shall be removed and discarded by the property owner or resident, or such other person authorized by the property owner or resident, on the day following the application. The lawn marker shall not be removed by any person other than the property owner or resident or person designated by such property owner or resident.

(5) For applications to residential properties of 2 families or less, the applicator for hire shall be required to place lawn markers at the usual point or points of entry.

(6) For applications to residential properties of 2 families or more, or for application to other commercial properties, the applicator for hire shall place lawn markers at the usual point or points of entry to the property to provide notice that lawn care products have been applied to the lawn.

(b) Notification requirement for application of plant protectants on golf courses.

(1) Blanket posting procedure. Each golf course shall post in a conspicuous place or places an all-weather poster or placard stating to users of or visitors to the golf course that from time to time plant protectants are in use and additionally stating that if any questions or concerns arise in relation thereto, the golf course superintendent or his designee should be contacted to supply the information contained in subsection (c) of this Section.

(2) The poster or placard shall be prominently displayed in the pro shop, locker rooms and first tee at each golf course.

(3) The poster or placard shall be a minimum size of 8 1/2 by 11 inches and the lettering shall not be less than 1/2 inch.

(4) The poster or placard shall read: "PLANT PROTECTANTS ARE PERIODICALLY APPLIED TO THIS GOLF COURSE. IF DESIRED, YOU MAY CONTACT YOUR GOLF COURSE SUPERINTENDENT FOR FURTHER INFORMATION."

(c) Information to Customers of Applicators for Hire. At the time of application of lawn care products to a lawn, an applicator for hire shall provide the following information to the customer:

(1) The brand name, ~~or~~ common name , and scientific name of each lawn care product applied;

(2) The type of fertilizer or pesticide contained in the lawn care product applied;

(3) The reason for use of each lawn care product applied;

(4) The range of concentration of end use product applied to the lawn and amount of material applied;

(5) Any special instruction appearing on the label of the lawn care product applicable to the customer's use of the lawn following application; ~~and~~

(6) The business name and telephone number of the applicator for hire as well as the name of the person actually applying lawn care products to the lawn; and

(7) Upon the request of a customer or any person whose property abuts or is adjacent to the property of a customer of an applicator for hire, a copy of the material safety data sheet and approved pesticide registration label for each applied lawn care product.

(d) Prior notification of application to lawn. In the case of all lawns other than golf courses:

(1) Any neighbor whose property abuts or is adjacent to the property of a customer of an applicator for hire may receive prior notification of an application by contacting the applicator for hire and providing his name, address and telephone number.

(2) At least the day before a scheduled application, an applicator for hire shall provide notification to a person who has requested notification pursuant to paragraph (1) of this subsection (d), such notification to be made in writing, in person or by telephone, disclosing the date and approximate time of day of application.

(3) In the event that an applicator for hire is unable to provide prior notification to a neighbor whose property abuts or is adjacent to the property because of the absence or inaccessibility of the individual, at the time of application to a customer's lawn, the applicator for hire shall leave a written notice at the residence of the person requesting notification, which shall provide the information specified in paragraph (2) of this subsection (d).

(e) Prior notification of application to golf courses.

(1) Any landlord or resident with property that abuts or is adjacent to a golf course may receive prior notification of an application of lawn care products or plant protectants, or both, by contacting the golf course superintendent and providing his name, address and telephone number.

(2) At least the day before a scheduled application of lawn care products or plant

protectants, or both, the golf course superintendent shall provide notification to any person who has requested notification pursuant to paragraph (1) of this subsection (e), such notification to be made in writing, in person or by telephone, disclosing the date and approximate time of day of application.

(3) In the event that the golf course superintendent is unable to provide prior notification to a landlord or resident because of the absence or inaccessibility, at the time of application, of the landlord or resident, the golf course superintendent shall leave a written notice with the landlord or at the residence which shall provide the information specified in paragraph (2) of this subsection (e).

(f) Notification for applications of pesticides to day care center grounds other than day care center structures and school grounds other than school structures.

(1) The owner or operator of a day care center must either (i) maintain a registry of parents and guardians of children in his or her care who have registered to receive written notification before the application of pesticide to day care center grounds and notify persons on that registry before applying pesticides or having pesticide applied to day care center grounds or (ii) provide written or telephonic notice to all parents and guardians of children in his or her care before applying pesticide or having pesticide applied to day care center grounds.

(2) School districts must either (i) maintain a registry of parents and guardians of students who have registered to receive written or telephonic notification before ~~prior to~~ the application of pesticide ~~pesticides~~ to school grounds and notify persons on that list before applying pesticide or having pesticide applied to school grounds or (ii) provide written or telephonic notification to all parents and guardians of students before applying pesticide or having pesticide applied to school grounds ~~such pesticide application~~.

(3) Written notification required under item (1) or (2) of subsection (f) of this Section may be included in newsletters, ~~bulletins,~~ calendars, or other correspondence currently published by the school district, but posting on a bulletin board is not sufficient. The written or telephonic notification must be given at least 4 ~~2~~ business days before application of the pesticide and should identify the intended date of the application of the pesticide and the name and telephone contact number for the school personnel responsible for the pesticide application program or, in the case of a day care center, the owner or operator of the day care center. Prior ~~written~~ notice shall not be required if there is imminent threat to health or property. If such a situation arises, the appropriate school personnel or, in the case of a day care center, the owner or operator of the day care center must sign a statement describing the circumstances that gave rise to the health threat and ensure that written or telephonic notice is provided as soon as practicable.

(Source: P.A. 91-99, eff. 7-9-99; 92-16, eff. 6-28-01.)

(415 ILCS 65/6) (from Ch. 5, par. 856)

Sec. 6. This Act shall be administered and enforced by the Department. The Department may promulgate rules and regulations as necessary for the enforcement of this Act. The Department of Public Health must inform school boards and the owners and operators of day care centers about the provisions of this Act that are applicable to school districts and day care centers, and it must inform school boards about the requirements contained in subdivisions 10-20.46 and 34-18.37 of the School Code. The Department of Public Health must recommend that day care centers and schools use a pesticide-free turf care program to maintain their turf. The Department of Public Health must also report violations of this Act of which it becomes aware to the Department for enforcement.

(Source: P.A. 86-358; 87-1033.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Steans, **Senate Bill No. 1769**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lightford	Righter
Bivins	Frerichs	Link	Risinger
Bomke	Garrett	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Harmon	Martinez	Silverstein
Burzynski	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jones, E.	Murphy	Viverito
Dahl	Jones, J.	Noland	Wilhelmi
DeLeo	Koehler	Pankau	Mr. President
Delgado	Kotowski	Radogno	
Demuzio	Lauzen	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Steans, **Senate Bill No. 1770**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 30; NAYS 19; Present 2.

The following voted in the affirmative:

Clayborne	Harmon	Lightford	Silverstein
Collins	Hendon	Link	Steans
Crotty	Holmes	Maloney	Sullivan
DeLeo	Hunter	Martinez	Trotter
Delgado	Hutchinson	Meeks	Wilhelmi
Demuzio	Jones, E.	Munoz	Mr. President
Forby	Koehler	Noland	
Frerichs	Kotowski	Raoul	

The following voted in the negative:

Althoff	Cronin	Lauzen	Radogno
Bivins	Dahl	Luechtefeld	Righter
Bomke	Duffy	McCarter	Schoenberg
Brady	Haine	Murphy	Syverson
Burzynski	Jones, J.	Pankau	

The following voted present:

Risinger
Viverito

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Hunter, **Senate Bill No. 1776**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Jacobs, **Senate Bill No. 1783**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS 3.

The following voted in the affirmative:

Althoff	Frerichs	Link	Risinger
Bivins	Garrett	Luechtefeld	Sandoval
Bomke	Haine	Maloney	Schoenberg
Bond	Harmon	Martinez	Silverstein
Brady	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Duffy	Kotowski	Raoul	
Forby	Lightford	Righter	

The following voted in the negative:

Burzynski
Cronin
Lauzen

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Jacobs, **Senate Bill No. 1784**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 45; NAYS 3.

The following voted in the affirmative:

Althoff	Haine	Martinez	Schoenberg
Bivins	Harmon	Meeks	Silverstein
Bond	Hendon	Millner	Steans
Brady	Holmes	Munoz	Sullivan
Clayborne	Hunter	Murphy	Syverson
Collins	Jacobs	Noland	Trotter
Crotty	Jones, E.	Pankau	Viverito
Dahl	Koehler	Radogno	Wilhelmi
DeLeo	Kotowski	Raoul	Mr. President
Delgado	Lightford	Righter	
Duffy	Link	Risinger	
Forby	Maloney	Sandoval	

The following voted in the negative:

Burzynski
Cronin
Lauzen

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Lightford, **Senate Bill No. 1796**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Risinger
Bivins	Frerichs	Lightford	Sandoval
Bomke	Garrett	Link	Schoenberg
Bond	Haine	Maloney	Silverstein

Burzynski	Harmon	Martinez	Steans
Clayborne	Hendon	Meeks	Sullivan
Collins	Holmes	Millner	Syverson
Cronin	Hunter	Munoz	Trotter
Crotty	Hutchinson	Murphy	Viverito
Dahl	Jacobs	Noland	Wilhelmi
DeLeo	Jones, E.	Pankau	Mr. President
Delgado	Jones, J.	Radogno	
Demuzio	Koehler	Raoul	
Duffy	Kotowski	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Righter, **Senate Bill No. 1799**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Righter, **Senate Bill No. 1801**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter

Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Holmes, **Senate Bill No. 1809** was recalled from the order of third reading to the order of second reading.

Senator Holmes offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1809

AMENDMENT NO. 1 . Amend Senate Bill 1809 by replacing everything after the enacting clause with the following:

"Section 5. The State Employees Group Insurance Act of 1971 is amended by changing Section 6.11 as follows:

(5 ILCS 375/6.11)

(Text of Section before amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.8, 356z.9, 356z.10, 356z.13 ~~356z.11~~, and 356z.14 of the Illinois Insurance Code. The program of health benefits must comply with Section 155.37 of the Illinois Insurance Code.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

(Text of Section after amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, ~~and~~ 356z.12 , 356z.13 ~~356z.11~~, and 356z.14 of the Illinois Insurance Code. The program of health benefits must comply with Section 155.37 of the Illinois Insurance Code.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

Section 10. The Counties Code is amended by changing Section 5-1069.3 as follows:

(55 ILCS 5/5-1069.3)

(Text of Section before amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.6, 356z.8,

356z.9, 356z.10, 356z.13 ~~356z.11~~, and 356z.14 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.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

(Text of Section after amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, ~~and~~ 356z.12 , 356z.13 ~~356z.11~~, and 356z.14 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.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

Section 15. The Illinois Municipal Code is amended by changing Section 10-4-2.3 as follows:

(65 ILCS 5/10-4-2.3)

(Text of Section before amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 356z.13 ~~356z.11~~, and 356z.14 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.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

(Text of Section after amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, ~~and~~ 356z.12 , 356z.13 ~~356z.11~~, and 356z.14 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.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

Section 20. The School Code is amended by changing Section 10-22.3f as follows:

(105 ILCS 5/10-22.3f)

(Text of Section before amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.13 ~~and 356z.11~~, and 356z.14 of the Illinois Insurance Code.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-876, eff. 8-21-08; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

(Text of Section after amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, ~~and~~ 356z.12, 356z.13 ~~and 356z.11~~, and 356z.14 of the Illinois Insurance Code.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005, 12-12-08; revised 12-15-08.)

Section 90. The State Mandates Act is amended by adding Section 8.33 as follows:
(30 ILCS 805/8.33 new)
Sec. 8.33. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 96th General Assembly.

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Holmes, **Senate Bill No. 1809**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAY 1.

The following voted in the affirmative:

Althoff	Frerichs	Lightford	Righter
Bivins	Garrett	Link	Risinger
Bomke	Haine	Luechtefeld	Sandoval
Bond	Harmon	Maloney	Schoenberg
Brady	Hendon	Martinez	Silverstein
Burzynski	Holmes	McCarter	Steans
Clayborne	Hunter	Meeks	Sullivan
Collins	Hutchinson	Millner	Syverson
Crotty	Jacobs	Munoz	Trotter
Dahl	Jones, E.	Murphy	Viverito
DeLeo	Jones, J.	Noland	Wilhelmi
Delgado	Koehler	Pankau	Mr. President
Demuzio	Kotowski	Radogno	
Forby	Lauzen	Raoul	

The following voted in the negative:

Duffy

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Millner, **Senate Bill No. 1812**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hunter	Meeks	Sullivan
Crotty	Hutchinson	Millner	Syverson
Dahl	Jacobs	Munoz	Trotter
DeLeo	Jones, E.	Murphy	Viverito
Delgado	Jones, J.	Noland	Wilhelmi
Demuzio	Koehler	Pankau	Mr. President
Duffy	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Millner, **Senate Bill No. 1813**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Raoul
Bivins	Forby	Lightford	Righter
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Harmon	Martinez	Steans
Clayborne	Hendon	McCarter	Sullivan
Collins	Holmes	Meeks	Syverson
Cronin	Hunter	Millner	Trotter
Crotty	Hutchinson	Munoz	Viverito
Dahl	Jones, E.	Murphy	Wilhelmi
DeLeo	Jones, J.	Noland	Mr. President
Delgado	Koehler	Pankau	
Demuzio	Kotowski	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Kotowski, **Senate Bill No. 1814**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Sandoval
Bond	Garrett	Link	Schoenberg
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	Meeks	Syverson
Cronin	Hunter	Millner	Trotter
Crotty	Hutchinson	Munoz	Viverito
Dahl	Jacobs	Murphy	Wilhelmi
DeLeo	Jones, E.	Noland	Mr. President
Delgado	Jones, J.	Pankau	
Demuzio	Koehler	Radogno	

The following voted present:

Raoul

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Millner, **Senate Bill No. 1818**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Maloney	Silverstein
Brady	Haine	Martinez	Steans
Burzynski	Harmon	McCarter	Sullivan
Clayborne	Hendon	Meeks	Syverson
Collins	Holmes	Millner	Trotter
Cronin	Hunter	Munoz	Viverito
Crotty	Hutchinson	Murphy	Wilhelmi
Dahl	Jacobs	Noland	Mr. President
DeLeo	Jones, E.	Pankau	
Delgado	Jones, J.	Radogno	
Demuzio	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Millner, **Senate Bill No. 1819**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Burzynski	Hendon	McCarter	Sullivan
Clayborne	Holmes	Meeks	Syverson
Collins	Hunter	Millner	Trotter
Cronin	Hutchinson	Munoz	Viverito
Crotty	Jacobs	Murphy	Wilhelmi
Dahl	Jones, E.	Noland	Mr. President
DeLeo	Jones, J.	Pankau	
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Sullivan, **Senate Bill No. 1825**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Radogno
Bivins	Forby	Lauzen	Raoul
Bomke	Frerichs	Lightford	Righter
Bond	Garrett	Link	Risinger
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hunter	Meeks	Syverson
Crotty	Hutchinson	Millner	Trotter
Dahl	Jacobs	Munoz	Viverito
DeLeo	Jones, E.	Murphy	Wilhelmi

Delgado	Jones, J.	Noland	Mr. President
Demuzio	Koehler	Pankau	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Noland, **Senate Bill No. 1827**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 30; NAYS 19; Present 4.

The following voted in the affirmative:

Bond	Haine	Lightford	Schoenberg
Clayborne	Harmon	Link	Silverstein
Collins	Hendon	Maloney	Sullivan
DeLeo	Hunter	Martinez	Viverito
Delgado	Jacobs	Munoz	Wilhelmi
Demuzio	Jones, E.	Noland	Mr. President
Forby	Koehler	Raoul	
Frerichs	Kotowski	Sandoval	

The following voted in the negative:

Althoff	Cronin	Lauzen	Radogno
Bivins	Dahl	Luechtefeld	Risinger
Bomke	Duffy	McCarter	Syverson
Brady	Garrett	Murphy	Trotter
Burzynski	Jones, J.	Pankau	

The following voted present:

Crotty	Meeks
Holmes	Steans

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Steans, **Senate Bill No. 1828** was recalled from the order of third reading to the order of second reading.

Senator Steans offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1828

AMENDMENT NO. __1__. Amend Senate Bill 1828 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the P-20 Longitudinal Education Data System Act.

Section 5. Findings; declarations. The General Assembly finds and declares all of the following:

(1) Sound data collection, reporting, and analysis are critical to building a State education system capable of ensuring all Illinois students are adequately prepared for college and the global workforce. School districts and institutions of higher learning can improve instructional and educational decision-making using data that is collected and made available by this State.

(2) Reliable and sufficient education data is necessary to ensure that this State bases education policy decisions on valid, objective measures of student outcomes. Publicly accessible data on State, school district, and school performance allows the citizens of this State to assess local and statewide investments in education.

(3) A national collaborative effort among State education officials, national education organizations, and State and federal policymakers has defined the essential elements a State longitudinal data system should contain. Public Law 110-69, the America COMPETES Act, requires state longitudinal data systems to include all 10 elements identified by this national, collaborative effort for states to qualify for federal funding opportunities. The federal American Recovery and Reinvestment Act of 2009 requires states to establish longitudinal data systems with all 10 elements to qualify for federal funding for education, public safety, and other government services.

(4) Public Law 110-134 requires the Illinois Early Learning Council to develop recommendations regarding the establishment of a unified data collection system for public early childhood education and development programs and services throughout this State, and those efforts should be coordinated with the development of this State's longitudinal data system.

(5) State education policymaking benefits from partnerships between State education agencies and entities with expertise in education research, including school districts, institutions of higher learning, and research organizations. This State should establish systems and processes to permit qualified researchers to assist with State evaluation and research functions in a manner consistent with privacy protection laws.

(6) This State is committed to establishing and maintaining a longitudinal student unit record data system that educators and policymakers can use to analyze and assess student progress from early learning programs through postsecondary education and into employment. The State Board of Education, the Illinois Community College Board, and the Board of Higher Education have designed, built, and deployed some of the fundamental components of a longitudinal data system and have engaged in extensive efforts to effectively link and use available education data. However, the various education data components maintained by this State must be integrated and managed in a cooperative manner to establish a data-driven, decision-making environment for this State's education system.

(7) The longitudinal data system established by this Act is intended, among other purposes, to link student test scores, length of enrollment, and graduation records over time, as permitted by Section 1111(b)(3)(B) of the federal Elementary and Secondary Education Act (20 U.S.C. 6311(b)(3)(B)).

(8) Students will achieve improved learning outcomes as a result of the longitudinal data system established by this Act through instruction and educational programs informed by valid and reliable data.

(9) State use and management of education data must be in accordance with all legal requirements protecting student privacy and must protect personal information from intentional or accidental release to unauthorized persons and from intentional or accidental use for unauthorized purposes.

Section 10. Definitions. In this Act:

"Community College Board" means the Illinois Community College Board.

"Community colleges" has the meaning ascribed to that term in Section 1-2 of the Public Community College Act.

"Early learning" means any publicly funded education and care program supporting young children not yet enrolled in kindergarten.

"Elementary" means kindergarten through eighth grade.

"Institution of higher learning" has the meaning ascribed to that term in Section 10 of the Higher Education Student Assistance Act.

"Longitudinal data system" means a student unit record data system that links student records from early learning through the postsecondary level, which may consist of separate student unit record systems integrated through agreement and data transfer mechanisms.

"Privacy protection laws" means the federal Family Educational Rights and Privacy Act of 1974 (20

U.S.C. 1232g), the Illinois School Students Record Act, the Personal Information Protection Act, and any other State or federal law relating to the confidentiality and protection of personally identifiable information.

"Research organization" means a governmental entity, institution of higher learning, public policy or advocacy organization, or other person or entity conducting educational research that (i) is qualified to perform educational research and protect the privacy of student data, (ii) is seeking to perform research for a non-commercial purpose authorized by privacy protection laws, and (iii) agrees to perform the research pursuant to a written agreement meeting the requirements of privacy protection laws and this Act.

"School" means any elementary or secondary educational institution, charter school, vocational school, special education facility, or any other elementary or secondary educational agency or institution, but does not include a non-public school.

"Secondary" means ninth through twelfth grade.

"State Board" means the State Board of Education.

"State Education Authorities" means the State Board, Community College Board, and Board of Higher Education.

Section 15. Establishment of the longitudinal data system and data warehouse.

(a) The State Education Authorities shall jointly establish and maintain a longitudinal data system by entering into one or more agreements that link early learning, elementary, and secondary school student unit records with institution of higher learning student unit records. To the extent authorized by this Section and Section 20 of this Act:

(1) the State Board is responsible for collecting and maintaining authoritative enrollment, completion, and student characteristic information on early learning, public school (kindergarten through grade 12), and non-public school (kindergarten through grade 12) students;

(2) the Community College Board is responsible for collecting and maintaining authoritative enrollment, completion, and student characteristic information on community college students; and

(3) the Board of Higher Education is responsible for collecting and maintaining authoritative enrollment, completion, and student characteristic information on students enrolled in institutions of higher learning, other than community colleges.

(b) On or before June 30, 2013, subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Education Authorities shall improve and expand the longitudinal data system to enable the State Education Authorities to perform or cause to be performed all of the following activities and functions:

(1) Reduce, to the maximum extent possible, the data collection burden on school districts and institutions of higher learning by using data submitted to the system for multiple reporting and analysis functions.

(2) Provide authorized officials of early learning programs, schools, school districts, and institutions of higher learning with access to their own student-level data, summary reports, and data that can be integrated with additional data maintained outside of the system to inform education decision-making.

(3) Link data to instructional management tools that support instruction and assist collaboration among teachers and postsecondary instructors.

(4) Enhance and expand existing high school-to-postsecondary reporting systems to inform school and school district officials, education policymakers, and members of the public about public school students' performance in postsecondary education.

(5) Provide data reporting, analysis, and planning tools that assist with financial oversight, human resource management, and other education support functions.

(6) Improve student access to educational opportunities by linking data to student college and career planning portals, facilitating the submission of electronic transcripts and scholarship and financial aid applications, and enabling the transfer of student records to officials of a school or institution of higher learning where a student enrolls or seeks or intends to enroll.

(7) Establish a public Internet web interface that provides non-confidential data reports and permits queries so that parents, the media, and other members of the public can more easily access information pertaining to statewide, district, and school performance.

(8) Provide research and reports to the General Assembly that assist with evaluating the effectiveness of specific programs and that enable legislators to analyze educational performance within their legislative districts.

(9) Allow the State Education Authorities to efficiently meet federal and State reporting requirements by drawing data for required reports from multiple State systems.

(10) Establish a system to evaluate teacher and administrator preparation programs using student academic growth as one component of evaluation.

(11) In accordance with a data sharing agreement entered into between the State Education Authorities and the Illinois Student Assistance Commission, establish procedures and systems to evaluate the relationship between need-based financial aid and student enrollment and success in institutions of higher learning.

(12) In accordance with data sharing agreements entered into between the State Education Authorities and health and human service agencies, establish procedures and systems to evaluate the relationship between education and other student and family support systems.

(13) In accordance with data sharing agreements entered into between the State Education Authorities and employment and workforce development agencies, establish procedures and systems to evaluate the relationship between education programs and outcomes and employment fields, employment locations, and employment outcomes.

(c) On or before June 30, 2013, subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Board shall establish a data warehouse that integrates data from multiple student unit record systems and supports all of the uses and functions of the longitudinal data system set forth in this Act. The data warehouse must be developed in cooperation with the Community College Board and the Board of Higher Education and must have the ability to integrate longitudinal data from early learning through the postsecondary level in accordance with one or more data sharing agreements entered into among the State Education Authorities. The data warehouse, as integrated with the longitudinal data system, must include, but is not limited to, all of the following elements:

(1) A unique statewide student identifier that connects student data across key databases across years. The unique statewide student identifier must not be derived from a student's social security number and must be provided to institutions of higher learning to assist with linkages between early learning through secondary and postsecondary data.

(2) Student-level enrollment, demographic, and program participation information, including information on participation in dual credit programs.

(3) The ability to match individual students' elementary and secondary test records from year to year to measure academic growth.

(4) Information on untested students in the elementary and secondary levels, and the reasons they were not tested.

(5) A teacher and administrator identifier system with the ability to match students to early learning, elementary, and secondary teachers and elementary and secondary administrators. Information able to be obtained only as a result of the linkage of teacher and student data through the longitudinal data system may not be used by a school district for decisions involving teacher pay or teacher benefits unless the district and the exclusive bargaining representative of the district's teachers, if any, have agreed to this use. Information able to be obtained only as a result of the linkage of teacher and student data through the longitudinal data system may not be used by a school district as part of an evaluation under Article 24A of the School Code unless, in good faith cooperation with the school district's teachers or, where applicable, the exclusive bargaining representative of the school district's teachers, the school district has developed an evaluation plan or substantive change to an evaluation plan that specifically describes the school district's rationale for using this information for evaluations, how this information will be used as part of the evaluation process, and how this information will relate to evaluation standards. However, nothing in this subdivision (5) or elsewhere in this Act limits or restricts (i) a district's use of any local or State data that has been obtained independently from the linkage of teacher and student data through the longitudinal data system or (ii) a charter school's use of any local or State data in connection with teacher pay, benefits, or evaluations.

(6) Student-level transcript information, including information on courses completed and grades earned, from middle and high schools. The State Board shall establish a statewide course classification system based upon the federal School Codes for Exchange of Data or a similar course classification system. Each school district and charter school shall map its course descriptions to the statewide course classification system for the purpose of State reporting. School districts and charter schools are not required to change or modify the locally adopted course descriptions used for all other purposes. The State Board shall establish or contract for the establishment of a technical support and training system to assist schools and districts with the implementation of this item (6) and shall, to the

extent possible, collect transcript data using a system that permits automated reporting from district student information systems.

(7) Student-level college readiness test scores.

(8) Student-level graduation and dropout data.

(9) The ability to match early learning through secondary student unit records with institution of higher learning student unit record systems.

(10) A State data audit system assessing data quality, validity, and reliability.

(d) Using data provided to and maintained by the longitudinal data system, the State Education Authorities may, in addition to functions and activities specified elsewhere in this Section, perform and undertake the following:

(1) research for or on behalf of early learning programs, schools, school districts, or institutions of higher learning, which may be performed by one or more State Education Authorities or through agreements with research organizations meeting all of the requirements of this Act and privacy protection laws; and

(2) audits or evaluations of federal or State-supported education programs and activities to enforce federal or State legal requirements with respect to those programs. Each State Education Authority may assist another State Education Authority with audit, evaluation, or enforcement activities and may disclose education records with each other for those activities relating to any early learning through postsecondary program. The State Education Authorities may disclose student information to authorized officials of a student's former early learning program, school, or school district to assist with the evaluation of federal or State-supported programs.

(e) In establishing, operating, and expanding the longitudinal data system, the State Education Authorities shall convene stakeholders and create opportunities for input and advice in the areas of data ownership, data use, research priorities, data management, confidentiality, data access, and reporting from the system. Such stakeholders include, but are not limited to, institutions of higher learning, school districts, charter schools, early learning programs, teachers, professors, parents, principals and administrators, school research consortiums, education policy and advocacy organizations, news media, the Illinois Student Assistance Commission, the Illinois Education Research Council, the Department of Commerce and Economic Opportunity, the Illinois Early Learning Council, and the Legislative Research Unit.

(f) Representatives of the State Education Authorities shall report to and advise the Illinois P-20 Council on the implementation, operation, and expansion of the longitudinal data system.

(g) Appropriations made to the State Education Authorities for the purposes of this Act shall be used exclusively for expenses for the development and operation of the longitudinal data system. Authorized expenses of the State Education Authorities may relate to contracts with outside vendors for the development and operation of the system, agreements with other governmental entities or research organizations for authorized uses and functions of the system, technical support and training for entities submitting data to the system, or regular or contractual employees necessary for the system's development or operation.

Section 20. Collection and maintenance of data.

(a) The State Board is authorized to collect and maintain data from school districts, schools, and early learning programs and disclose this data to the longitudinal data system for the purposes set forth in this Act. The State Board shall collect data from charter schools with more than one campus in a manner that can be disaggregated by campus site. The State Board may also disclose data to the longitudinal data system that the State Board is otherwise authorized by law to collect and maintain.

On or before July 1, 2010, the State Board shall establish procedures through which State-recognized, non-public schools may elect to participate in the longitudinal data system by disclosing data to the State Board for one or more of the purposes set forth in this Act.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Board shall establish or contract for the establishment of a technical support and training system to assist school districts, schools, and early learning programs with data submission, use, and analysis.

(b) The Community College Board is authorized to collect and maintain data from community college districts and disclose this data to the longitudinal data system for the purposes set forth in this Act. The Community College Board may also disclose data to the longitudinal data system that the Community College Board is otherwise authorized by law to collect and maintain.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the Community College Board shall establish or contract for the establishment of a technical

support and training system to assist community colleges with data submission, use, and analysis.

(c) The Board of Higher Education is authorized to collect and maintain data from any public institution of higher learning, other than community colleges, and disclose this data to the longitudinal data system for the purposes set forth in this Act. The Board of Higher Education may also disclose data to the longitudinal data system that the Board of Higher Education is otherwise authorized by law to collect and maintain.

Beginning on July 1, 2012, the Board of Higher Education is authorized to collect and maintain data from any non-public institution of higher learning enrolling one or more students receiving Monetary Award Program grants, pursuant to Section 35 of the Higher Education Student Assistance Act, and disclose this data to the longitudinal data system for the purposes set forth in this Act. Prior to July 1, 2012, any non-public institution of higher learning may elect to participate in the longitudinal data system by disclosing data for one or more of the purposes set forth in this Act to the Board of Higher Education or to a consortium that has contracted with the Board of Higher Education pursuant to this subsection (c).

The Board of Higher Education may contract with one or more voluntary consortiums of non-public institutions of higher learning established for the purpose of data sharing, research, and analysis. The contract may allow the consortium to collect data from participating institutions on behalf of the Board of Higher Education. The contract may provide for consultation with a representative committee of participating institutions and a representative of one or more organizations representing the participating institutions prior to the use of data from the consortium for a data sharing arrangement entered into with any party other than a State Education Authority pursuant to Section 25 of this Act. The contract may further provide that individual institutions of higher learning shall have the right to opt out of specific uses of their data or portions thereof for reasons specified in the contract. Student-level data submitted by each institution of higher learning participating in a consortium that has contracted with the Board of Higher Education pursuant to this paragraph shall remain the property of that institution. Upon notice to the consortium and the Board of Higher Education, any non-public institution of higher learning shall have the right to remove its data from the consortium if the institution has reasonable cause to believe that there is a threat to the security of its data or its data is used in a manner that violates the terms of the contract between the consortium and the Board of Higher Education. In the event data is removed from a consortium pursuant to the preceding sentence, the data must be returned by the institution to the consortium after the basis for removal has been corrected. The data submitted from the consortium to the Board of Higher Education must be used only for agreed-upon purposes, as stated in the terms of the contract between the consortium and the Board of Higher Education. Non-public institutions of higher learning submitting student-level data to a consortium that has contracted with the Board of Higher Education pursuant to this paragraph shall not be required to submit student-level data to the Board of Higher Education.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the Board of Higher Education shall establish or contract for the establishment of a technical support and training system to assist institutions of higher learning, other than community colleges, with data submission, use, and analysis. The Board of Higher Education may make available grant funding to a consortium of non-public institutions of higher learning to provide assistance in the development of the Board's data collection system. The Board of Higher Education shall engage in a cooperative planning process with public and non-public institutions of higher learning and statewide higher education associations in connection with all of the activities authorized by this subsection (c).

(d) The State Education Authorities shall establish procedures and requirements relating to the submission of data authorized to be collected pursuant to this Section, including requirements for data specifications, quality, security, and timeliness. All early learning programs, schools, school districts, and institutions of higher learning subject to the data collection authority of a State Education Authority pursuant to this Section shall comply with the State Education Authority's procedures and requirements for data submissions. A State Education Authority may require that staff responsible for collecting, validating, and submitting data participate in training and technical assistance offered by this State if data is not submitted in accordance with applicable procedures and requirements.

Section 25. Data sharing.

(a) The State Education Authorities may disclose data from the longitudinal data system collected pursuant to Section 20 of this Act only in connection with a data sharing arrangement meeting the requirements of this Section.

(b) Any State agency, board, authority, or commission may enter into a data sharing arrangement with one or more of the State Education Authorities to share data to support the research and evaluation

activities authorized by this Act. State Education Authorities may also enter into data sharing arrangements with other governmental entities, institutions of higher learning, and research organizations that support the research and evaluation activities authorized by this Act.

(c) Any data sharing arrangement entered into pursuant to this Section must:

(1) be permissible under and undertaken in accordance with privacy protection laws;

(2) be approved by the following persons:

(A) the State Superintendent of Education or his or her designee for the use of early learning, public school, and non-public school student data;

(B) the chief executive officer of the Community College Board or his or her designee for the use of community college student data; and

(C) the executive director of the Board of Higher Education or his or her designee for the use of student data from an institution of higher learning, other than a community college;

(3) not permit the personal identification of any person by individuals other than authorized representatives of the recipient entity that have legitimate interests in the information;

(4) ensure the destruction or return of the data when no longer needed for the authorized purposes under the data sharing arrangement; and

(5) be performed pursuant to a written agreement with the recipient entity that does the following:

(A) specifies the purpose, scope, and duration of the data sharing arrangement;

(B) requires the recipient of the data to use personally identifiable information from education records to meet only the purpose or purposes of the data sharing arrangement stated in the written agreement;

(C) describes specific data access, use, and security restrictions that the recipient will undertake; and

(D) includes such other terms and provisions as the State Education Authorities deem necessary to carry out the intent and purposes of this Act.

Section 30. Subject to privacy protection laws. The collection, use, maintenance, disclosure, and sharing of data authorized by this Act must be conducted in accordance with privacy protection laws. The State Education Authorities shall each develop security measures and procedures that protect personal information from intentional or accidental release to unauthorized persons and from intentional or accidental use for unauthorized purposes.

Section 35. No impact on existing authority. This Act does not modify or diminish any responsibilities or authority that a State Education Authority or the State Education Authorities collectively may otherwise have under law with respect to the collection, use, maintenance, disclosure, and sharing of data.

Section 40. Evaluation. Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Education Authorities shall contract with an independent outside evaluator for oversight of the development and operation of the longitudinal data system. The independent outside evaluator shall annually submit a report to the State Education Authorities, the Illinois P-20 Council, the Speaker and Minority Leader of the House of Representatives, and the President and Minority Leader of the Senate. The report shall include without limitation (i) an evaluation of the extent to which the system is being developed and operated to achieve the purposes, objectives, and requirements of this Act; (ii) an evaluation of the oversight and governance of the system by the State Education Authorities and any recommendations to improve the oversight and governance of the system; and (iii) an evaluation of the security measures and procedures developed by the State Education Authorities to protect personally identifiable information and any recommendations to further ensure the privacy of personally identifiable information.

Section 500. The School Code is amended by changing Section 27A-5 as follows:

(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 submitted to the State Board or a local school board 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.

(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.

(g) A charter school shall comply with all provisions of this Article and its charter. A charter school is exempt from all other State laws and regulations in the School Code governing public schools and local school board policies, except the following:

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

(2) Sections 24-24 and 34-84A of the School 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; ~~and~~

(7) Section 10-17a of the School Code regarding school report cards; and ~~.~~

(8) The P-20 Longitudinal Education Data System Act.

(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.

(Source: P.A. 93-3, eff. 4-16-03; 93-909, eff. 8-12-04; 94-219, eff. 7-14-05.)

Section 505. The Illinois School Student Records Act is amended by changing Section 6 as follows:

(105 ILCS 10/6) (from Ch. 122, par. 50-6)

Sec. 6. (a) No school student records or information contained therein may be released, transferred, disclosed or otherwise disseminated, except as follows:

(1) To a parent or student or person specifically designated as a representative by a parent, as provided in paragraph (a) of Section 5;

(2) To an employee or official of the school or school district or State Board with current demonstrable educational or administrative interest in the student, in furtherance of such interest;

(3) To the official records custodian of another school within Illinois or an official with similar responsibilities of a school outside Illinois, in which the student has enrolled, or intends to enroll, upon the request of such official or student;

(4) To any person for the purpose of research, statistical reporting, or planning, provided that such research, statistical reporting, or planning is permissible under and undertaken in accordance with the federal Family Educational Rights and Privacy Act (20 U.S.C. 1221 et seq.) ~~no student or parent can be identified from the information released and the person to whom the information is released signs an affidavit agreeing to comply with all applicable statutes and rules pertaining to school student records~~;

(5) Pursuant to a court order, provided that the parent shall be given prompt written notice upon receipt of such order of the terms of the order, the nature and substance of the information proposed to be released in compliance with such order and an opportunity to inspect and copy the school student records and to challenge their contents pursuant to Section 7;

(6) To any person as specifically required by State or federal law;

(6.5) To juvenile authorities when necessary for the discharge of their official duties who request information prior to adjudication of the student and who certify in writing that the information will not be disclosed to any other party except as provided under law or order of court. For purposes of this Section "juvenile authorities" means: (i) a judge of the circuit court and members of the staff of the court designated by the judge; (ii) parties to the proceedings under the Juvenile Court Act of 1987 and their attorneys; (iii) probation officers and court appointed advocates for the juvenile authorized by the judge hearing the case; (iv) any individual, public or private agency having custody of the child pursuant to court order; (v) any individual, public or private agency providing education, medical or mental health service to the child when the requested information is needed to determine the appropriate service or treatment for the minor; (vi) any potential placement provider when such release is authorized by the court for the limited purpose of determining the appropriateness of the potential placement; (vii) law enforcement officers and prosecutors; (viii) adult and juvenile prisoner review boards; (ix) authorized military personnel; (x) individuals authorized by court;

(7) Subject to regulations of the State Board, in connection with an emergency, to appropriate persons if the knowledge of such information is necessary to protect the health or safety of the student or other persons;

(8) To any person, with the prior specific dated written consent of the parent designating the person to whom the records may be released, provided that at the time any such consent is requested or obtained, the parent shall be advised in writing that he has the right to inspect and copy such records in accordance with Section 5, to challenge their contents in accordance with Section 7 and to limit any such consent to designated records or designated portions of the information contained therein;

(9) To a governmental agency, or social service agency contracted by a governmental agency, in furtherance of an investigation of a student's school attendance pursuant to the compulsory student attendance laws of this State, provided that the records are released to the employee or agent designated by the agency;

(10) To those SHOCAP committee members who fall within the meaning of "state and local officials and authorities", as those terms are used within the meaning of the federal Family Educational Rights and Privacy Act, for the purposes of identifying serious habitual juvenile offenders and matching those offenders with community resources pursuant to Section 5-145 of the Juvenile Court Act of 1987, but only to the extent that the release, transfer, disclosure, or dissemination is consistent with the Family Educational Rights and Privacy Act; or

(11) To the Department of Healthcare and Family Services in furtherance of the requirements of Section 2-3.131, 3-14.29, 10-28, or 34-18.26 of the School Code or Section 10 of the School Breakfast and Lunch Program Act.

(12) To the State Board or another State government agency or between or among State government agencies in order to evaluate or audit federal and State programs or perform research and planning, but only to the extent that the release, transfer, disclosure, or dissemination is consistent with the federal Family Educational Rights and Privacy Act (20 U.S.C. 1221 et seq.).

(b) No information may be released pursuant to subparagraphs (3) or (6) of paragraph (a) of this Section 6 unless the parent receives prior written notice of the nature and substance of the information

proposed to be released, and an opportunity to inspect and copy such records in accordance with Section 5 and to challenge their contents in accordance with Section 7. Provided, however, that such notice shall be sufficient if published in a local newspaper of general circulation or other publication directed generally to the parents involved where the proposed release of information is pursuant to subparagraph 6 of paragraph (a) in this Section 6 and relates to more than 25 students.

(c) A record of any release of information pursuant to this Section must be made and kept as a part of the school student record and subject to the access granted by Section 5. Such record of release shall be maintained for the life of the school student records and shall be available only to the parent and the official records custodian. Each record of release shall also include:

(1) The nature and substance of the information released;

(2) The name and signature of the official records custodian releasing such information;

(3) The name of the person requesting such information, the capacity in which such a request has been made, and the purpose of such request;

(4) The date of the release; and

(5) A copy of any consent to such release.

(d) Except for the student and his parents, no person to whom information is released pursuant to this Section and no person specifically designated as a representative by a parent may permit any other person to have access to such information without a prior consent of the parent obtained in accordance with the requirements of subparagraph (8) of paragraph (a) of this Section.

(e) Nothing contained in this Act shall prohibit the publication of student directories which list student names, addresses and other identifying information and similar publications which comply with regulations issued by the State Board.

(Source: P.A. 95-331, eff. 8-21-07; 95-793, eff. 1-1-09.)

Section 999. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Steans offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1828

AMENDMENT NO. _2_. Amend Senate Bill 1828 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the P-20 Longitudinal Education Data System Act.

Section 5. Findings; declarations. The General Assembly finds and declares all of the following:

(1) Sound data collection, reporting, and analysis are critical to building a State education system capable of ensuring all Illinois students are adequately prepared for college and the global workforce. School districts and institutions of higher learning can improve instructional and educational decision-making using data that is collected and made available by this State.

(2) Reliable and sufficient education data is necessary to ensure that this State bases education policy decisions on valid, objective measures of student outcomes. Publicly accessible data on State, school district, and school performance allows the citizens of this State to assess local and statewide investments in education.

(3) A national collaborative effort among State education officials, national education organizations, and state and federal policymakers has defined the essential elements a State longitudinal data system should contain. Public Law 110-69, the America COMPETES Act, requires state longitudinal data systems to include all 10 elements identified by this national, collaborative effort for states to qualify for federal funding opportunities. The federal American Recovery and Reinvestment Act of 2009 requires states to establish longitudinal data systems with all 10 elements to qualify for federal funding for education, public safety, and other government services.

(4) Public Law 110-134 requires the Illinois Early Learning Council to develop recommendations regarding the establishment of a unified data collection system for public early childhood education and development programs and services throughout this State, and those efforts should be coordinated with the development of this State's longitudinal data system.

(5) State education policymaking benefits from partnerships between State education agencies and entities with expertise in education research, including school districts, institutions of higher learning, and research organizations. This State should establish systems and processes to

permit qualified researchers to assist with State evaluation and research functions in a manner consistent with privacy protection laws.

(6) State education systems and national policymaking benefit from multi-state collaborations that are informed by high quality data collection systems.

(7) This State is committed to establishing and maintaining a longitudinal student unit record data system that educators and policymakers can use to analyze and assess student progress from early learning programs through postsecondary education and into employment. The State Board of Education, the Illinois Community College Board, and the Board of Higher Education have designed, built, and deployed some of the fundamental components of a longitudinal data system and have engaged in extensive efforts to effectively link and use available education data. However, the various education data components maintained by this State must be integrated and managed in a cooperative manner to establish a data-driven, decision-making environment for this State's education system.

(8) The longitudinal data system established by this Act is intended, among other purposes, to link student test scores, length of enrollment, and graduation records over time, as permitted by Section 1111(b)(3)(B) of the federal Elementary and Secondary Education Act (20 U.S.C. 6311(b)(3)(B)).

(9) Students will achieve improved learning outcomes as a result of the longitudinal data system established by this Act through instruction and educational programs informed by valid and reliable data.

(10) State use and management of education data must be in accordance with all legal requirements protecting student privacy and must protect personal information from intentional or accidental release to unauthorized persons and from intentional or accidental use for unauthorized purposes.

Section 10. Definitions. In this Act:

"Community College Board" means the Illinois Community College Board.

"Community colleges" has the meaning ascribed to that term in Section 1-2 of the Public Community College Act.

"Early learning" means any publicly funded education and care program supporting young children not yet enrolled in kindergarten.

"Elementary" means kindergarten through eighth grade.

"Institution of higher learning" has the meaning ascribed to that term in Section 10 of the Higher Education Student Assistance Act.

"Longitudinal data system" means a student unit record data system that links student records from early learning through the postsecondary level, which may consist of separate student unit record systems integrated through agreement and data transfer mechanisms.

"Privacy protection laws" means the federal Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), the Illinois School Students Record Act, the Personal Information Protection Act, and any other State or federal law relating to the confidentiality and protection of personally identifiable information.

"Research organization" means a governmental entity, institution of higher learning, public policy or advocacy organization, or other person or entity conducting educational research that (i) is qualified to perform educational research and protect the privacy of student data, (ii) is seeking to perform research for a non-commercial purpose authorized by privacy protection laws, and (iii) agrees to perform the research pursuant to a written agreement meeting the requirements of privacy protection laws and this Act.

"School" means any elementary or secondary educational institution, charter school, vocational school, special education facility, or any other elementary or secondary educational agency or institution, but does not include a non-public school.

"Secondary" means ninth through twelfth grade.

"State Board" means the State Board of Education.

"State Education Authorities" means the State Board, Community College Board, and Board of Higher Education.

Section 15. Establishment of the longitudinal data system and data warehouse.

(a) The State Education Authorities shall jointly establish and maintain a longitudinal data system by entering into one or more agreements that link early learning, elementary, and secondary school student

unit records with institution of higher learning student unit records. To the extent authorized by this Section and Section 20 of this Act:

(1) the State Board is responsible for collecting and maintaining authoritative enrollment, completion, and student characteristic information on early learning, public school (kindergarten through grade 12), and non-public school (kindergarten through grade 12) students;

(2) the Community College Board is responsible for collecting and maintaining authoritative enrollment, completion, and student characteristic information on community college students; and

(3) the Board of Higher Education is responsible for collecting and maintaining authoritative enrollment, completion, and student characteristic information on students enrolled in institutions of higher learning, other than community colleges.

(b) On or before June 30, 2013, subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Education Authorities shall improve and expand the longitudinal data system to enable the State Education Authorities to perform or cause to be performed all of the following activities and functions:

(1) Reduce, to the maximum extent possible, the data collection burden on school districts and institutions of higher learning by using data submitted to the system for multiple reporting and analysis functions.

(2) Provide authorized officials of early learning programs, schools, school districts, and institutions of higher learning with access to their own student-level data, summary reports, and data that can be integrated with additional data maintained outside of the system to inform education decision-making.

(3) Link data to instructional management tools that support instruction and assist collaboration among teachers and postsecondary instructors.

(4) Enhance and expand existing high school-to-postsecondary reporting systems to inform school and school district officials, education policymakers, and members of the public about public school students' performance in postsecondary education.

(5) Provide data reporting, analysis, and planning tools that assist with financial oversight, human resource management, and other education support functions.

(6) Improve student access to educational opportunities by linking data to student college and career planning portals, facilitating the submission of electronic transcripts and scholarship and financial aid applications, and enabling the transfer of student records to officials of a school or institution of higher learning where a student enrolls or seeks or intends to enroll.

(7) Establish a public Internet web interface that provides non-confidential data reports and permits queries so that parents, the media, and other members of the public can more easily access information pertaining to statewide, district, and school performance.

(8) Provide research and reports to the General Assembly that assist with evaluating the effectiveness of specific programs and that enable legislators to analyze educational performance within their legislative districts.

(9) Allow the State Education Authorities to efficiently meet federal and State reporting requirements by drawing data for required reports from multiple State systems.

(10) Establish a system to evaluate teacher and administrator preparation programs using student academic growth as one component of evaluation.

(11) In accordance with a data sharing agreement entered into between the State Education Authorities and the Illinois Student Assistance Commission, establish procedures and systems to evaluate the relationship between need-based financial aid and student enrollment and success in institutions of higher learning.

(12) In accordance with data sharing agreements entered into between the State Education Authorities and health and human service agencies, establish procedures and systems to evaluate the relationship between education and other student and family support systems.

(13) In accordance with data sharing agreements entered into between the State Education Authorities and employment and workforce development agencies, establish procedures and systems to evaluate the relationship between education programs and outcomes and employment fields, employment locations, and employment outcomes.

(c) On or before June 30, 2013, subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Board shall establish a data warehouse that integrates data from multiple student unit record systems and supports all of the uses and functions of the longitudinal data system set forth in this Act. The data warehouse must be developed in cooperation with the Community College Board and the Board of Higher Education and must have the ability to integrate

longitudinal data from early learning through the postsecondary level in accordance with one or more data sharing agreements entered into among the State Education Authorities. The data warehouse, as integrated with the longitudinal data system, must include, but is not limited to, all of the following elements:

(1) A unique statewide student identifier that connects student data across key databases across years. The unique statewide student identifier must not be derived from a student's social security number and must be provided to institutions of higher learning to assist with linkages between early learning through secondary and postsecondary data.

(2) Student-level enrollment, demographic, and program participation information, including information on participation in dual credit programs.

(3) The ability to match individual students' elementary and secondary test records from year to year to measure academic growth.

(4) Information on untested students in the elementary and secondary levels, and the reasons they were not tested.

(5) A teacher and administrator identifier system with the ability to match students to early learning, elementary, and secondary teachers and elementary and secondary administrators. Information able to be obtained only as a result of the linkage of teacher and student data through the longitudinal data system may not be used by a school district for decisions involving teacher pay or teacher benefits unless the district and the exclusive bargaining representative of the district's teachers, if any, have agreed to this use. Information able to be obtained only as a result of the linkage of teacher and student data through the longitudinal data system may not be used by a school district as part of an evaluation under Article 24A of the School Code unless, in good faith cooperation with the school district's teachers or, where applicable, the exclusive bargaining representative of the school district's teachers, the school district has developed an evaluation plan or substantive change to an evaluation plan that specifically describes the school district's rationale for using this information for evaluations, how this information will be used as part of the evaluation process, and how this information will relate to evaluation standards. However, nothing in this subdivision (5) or elsewhere in this Act limits or restricts (i) a district's use of any local or State data that has been obtained independently from the linkage of teacher and student data through the longitudinal data system or (ii) a charter school's use of any local or State data in connection with teacher pay, benefits, or evaluations.

(6) Student-level transcript information, including information on courses completed and grades earned, from middle and high schools. The State Board shall establish a statewide course classification system based upon the federal School Codes for Exchange of Data or a similar course classification system. Each school district and charter school shall map its course descriptions to the statewide course classification system for the purpose of State reporting. School districts and charter schools are not required to change or modify the locally adopted course descriptions used for all other purposes. The State Board shall establish or contract for the establishment of a technical support and training system to assist schools and districts with the implementation of this item (6) and shall, to the extent possible, collect transcript data using a system that permits automated reporting from district student information systems.

(7) Student-level college readiness test scores.

(8) Student-level graduation and dropout data.

(9) The ability to match early learning through secondary student unit records with institution of higher learning student unit record systems.

(10) A State data audit system assessing data quality, validity, and reliability.

(d) Using data provided to and maintained by the longitudinal data system, the State Education Authorities may, in addition to functions and activities specified elsewhere in this Section, perform and undertake the following:

(1) research for or on behalf of early learning programs, schools, school districts, or institutions of higher learning, which may be performed by one or more State Education Authorities or through agreements with research organizations meeting all of the requirements of this Act and privacy protection laws; and

(2) audits or evaluations of federal or State-supported education programs and activities to enforce federal or State legal requirements with respect to those programs. Each State Education Authority may assist another State Education Authority with audit, evaluation, or enforcement activities and may disclose education records with each other for those activities relating to any early learning through postsecondary program. The State Education Authorities may disclose student information to authorized officials of a student's former early learning program, school, or

school district to assist with the evaluation of federal or State-supported education programs.

(e) In establishing, operating, and expanding the longitudinal data system, the State Education Authorities shall convene stakeholders and create opportunities for input and advice in the areas of data ownership, data use, research priorities, data management, confidentiality, data access, and reporting from the system. Such stakeholders include, but are not limited to, public and non-public institutions of higher learning, school districts, charter schools, non-public elementary and secondary schools, early learning programs, teachers, professors, parents, principals and administrators, school research consortiums, education policy and advocacy organizations, news media, the Illinois Student Assistance Commission, the Illinois Education Research Council, the Department of Commerce and Economic Opportunity, the Illinois Early Learning Council, and the Legislative Research Unit.

(f) Representatives of the State Education Authorities shall report to and advise the Illinois P-20 Council on the implementation, operation, and expansion of the longitudinal data system.

(g) Appropriations made to the State Education Authorities for the purposes of this Act shall be used exclusively for expenses for the development and operation of the longitudinal data system. Authorized expenses of the State Education Authorities may relate to contracts with outside vendors for the development and operation of the system, agreements with other governmental entities or research organizations for authorized uses and functions of the system, technical support and training for entities submitting data to the system, or regular or contractual employees necessary for the system's development or operation.

Section 20. Collection and maintenance of data.

(a) The State Board is authorized to collect and maintain data from school districts, schools, and early learning programs and disclose this data to the longitudinal data system for the purposes set forth in this Act. The State Board shall collect data from charter schools with more than one campus in a manner that can be disaggregated by campus site. The State Board may also disclose data to the longitudinal data system that the State Board is otherwise authorized by law to collect and maintain.

On or before July 1, 2010, the State Board shall establish procedures through which State-recognized, non-public schools may elect to participate in the longitudinal data system by disclosing data to the State Board for one or more of the purposes set forth in this Act.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Board shall establish or contract for the establishment of a technical support and training system to assist school districts, schools, and early learning programs with data submission, use, and analysis.

(b) The Community College Board is authorized to collect and maintain data from community college districts and disclose this data to the longitudinal data system for the purposes set forth in this Act. The Community College Board may also disclose data to the longitudinal data system that the Community College Board is otherwise authorized by law to collect and maintain.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the Community College Board shall establish or contract for the establishment of a technical support and training system to assist community colleges with data submission, use, and analysis.

(c) The Board of Higher Education is authorized to collect and maintain data from any public institution of higher learning, other than community colleges, and disclose this data to the longitudinal data system for the purposes set forth in this Act. The Board of Higher Education may also disclose data to the longitudinal data system that the Board of Higher Education is otherwise authorized by law to collect and maintain.

Beginning on July 1, 2012, the Board of Higher Education is authorized to collect and maintain data from any non-public institution of higher learning enrolling one or more students receiving Monetary Award Program grants, pursuant to Section 35 of the Higher Education Student Assistance Act, and disclose this data to the longitudinal data system for the purposes set forth in this Act. Prior to July 1, 2012, any non-public institution of higher learning may elect to participate in the longitudinal data system by disclosing data for one or more of the purposes set forth in this Act to the Board of Higher Education or to a consortium that has contracted with the Board of Higher Education pursuant to this subsection (c).

The Board of Higher Education may contract with one or more voluntary consortiums of non-public institutions of higher learning established for the purpose of data sharing, research, and analysis. The contract may allow the consortium to collect data from participating institutions on behalf of the Board of Higher Education. The contract may provide for consultation with a representative committee of participating institutions and a representative of one or more organizations representing the participating institutions prior to the use of data from the consortium for a data sharing arrangement entered into with

any party other than a State Education Authority pursuant to Section 25 of this Act. The contract may further provide that individual institutions of higher learning shall have the right to opt out of specific uses of their data or portions thereof for reasons specified in the contract. Student-level data submitted by each institution of higher learning participating in a consortium that has contracted with the Board of Higher Education pursuant to this paragraph shall remain the property of that institution. Upon notice to the consortium and the Board of Higher Education, any non-public institution of higher learning shall have the right to remove its data from the consortium if the institution has reasonable cause to believe that there is a threat to the security of its data or its data is used in a manner that violates the terms of the contract between the consortium and the Board of Higher Education. In the event data is removed from a consortium pursuant to the preceding sentence, the data must be returned by the institution to the consortium after the basis for removal has been corrected. The data submitted from the consortium to the Board of Higher Education must be used only for agreed-upon purposes, as stated in the terms of the contract between the consortium and the Board of Higher Education. Non-public institutions of higher learning submitting student-level data to a consortium that has contracted with the Board of Higher Education pursuant to this paragraph shall not be required to submit student-level data to the Board of Higher Education.

Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the Board of Higher Education shall establish or contract for the establishment of a technical support and training system to assist institutions of higher learning, other than community colleges, with data submission, use, and analysis. The Board of Higher Education may make available grant funding to a consortium of non-public institutions of higher learning to provide assistance in the development of a data collection system. The Board of Higher Education shall engage in a cooperative planning process with public and non-public institutions of higher learning and statewide higher education associations in connection with all of the activities authorized by this subsection (c).

(d) The State Education Authorities shall establish procedures and requirements relating to the submission of data authorized to be collected pursuant to this Section, including requirements for data specifications, quality, security, and timeliness. All early learning programs, schools, school districts, and institutions of higher learning subject to the data collection authority of a State Education Authority pursuant to this Section shall comply with the State Education Authority's procedures and requirements for data submissions. A State Education Authority may require that staff responsible for collecting, validating, and submitting data participate in training and technical assistance offered by this State if data is not submitted in accordance with applicable procedures and requirements.

Section 25. Data sharing.

(a) The State Education Authorities may disclose data from the longitudinal data system collected pursuant to Section 20 of this Act only in connection with a data sharing arrangement meeting the requirements of this Section.

(b) Any State agency, board, authority, or commission may enter into a data sharing arrangement with one or more of the State Education Authorities to share data to support the research and evaluation activities authorized by this Act. State Education Authorities may also enter into data sharing arrangements with other governmental entities, institutions of higher learning, and research organizations that support the research and evaluation activities authorized by this Act.

(c) Any data sharing arrangement entered into pursuant to this Section must:

(1) be permissible under and undertaken in accordance with privacy protection laws;

(2) be approved by the following persons:

(A) the State Superintendent of Education or his or her designee for the use of early learning, public school, and non-public school student data;

(B) the chief executive officer of the Community College Board or his or her designee for the use of community college student data; and

(C) the executive director of the Board of Higher Education or his or her designee for the use of student data from an institution of higher learning, other than a community college;

(3) not permit the personal identification of any person by individuals other than authorized representatives of the recipient entity that have legitimate interests in the information;

(4) ensure the destruction or return of the data when no longer needed for the authorized purposes under the data sharing arrangement; and

(5) be performed pursuant to a written agreement with the recipient entity that does the following:

(A) specifies the purpose, scope, and duration of the data sharing arrangement;

(B) requires the recipient of the data to use personally identifiable information

from education records to meet only the purpose or purposes of the data sharing arrangement stated in the written agreement;

(C) describes specific data access, use, and security restrictions that the recipient will undertake; and

(D) includes such other terms and provisions as the State Education Authorities deem necessary to carry out the intent and purposes of this Act.

Section 30. Subject to privacy protection laws. The collection, use, maintenance, disclosure, and sharing of data authorized by this Act must be conducted in accordance with privacy protection laws. The State Education Authorities shall each develop security measures and procedures that protect personal information from intentional or accidental release to unauthorized persons and from intentional or accidental use for unauthorized purposes.

Section 35. No impact on existing authority. This Act does not modify or diminish any responsibilities or authority that a State Education Authority or the State Education Authorities collectively may otherwise have under law with respect to the collection, use, maintenance, disclosure, and sharing of data.

Section 40. Evaluation. Subject to the availability of funding through appropriations made specifically for the purposes of this Act, the State Education Authorities shall contract with an independent outside evaluator for oversight of the development and operation of the longitudinal data system. The independent outside evaluator shall annually submit a report to the State Education Authorities, the Illinois P-20 Council, the Speaker and Minority Leader of the House of Representatives, and the President and Minority Leader of the Senate. The report shall include without limitation (i) an evaluation of the extent to which the system is being developed and operated to achieve the purposes, objectives, and requirements of this Act; (ii) an evaluation of the oversight and governance of the system by the State Education Authorities and any recommendations to improve the oversight and governance of the system; and (iii) an evaluation of the security measures and procedures developed by the State Education Authorities to protect personally identifiable information and any recommendations to further ensure the privacy of personally identifiable information.

Section 500. The School Code is amended by changing Section 27A-5 as follows:

(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 submitted to the State Board or a local school board 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.

(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.

(g) A charter school shall comply with all provisions of this Article and its charter. A charter school is exempt from all other State laws and regulations in the School Code governing public schools and local school board policies, except the following:

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

(2) Sections 24-24 and 34-84A of the School 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; ~~and~~

(7) Section 10-17a of the School Code regarding school report cards; and ~~.~~

(8) The P-20 Longitudinal Education Data System Act.

(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.

(Source: P.A. 93-3, eff. 4-16-03; 93-909, eff. 8-12-04; 94-219, eff. 7-14-05.)

Section 505. The Illinois School Student Records Act is amended by changing Section 6 as follows:

(105 ILCS 10/6) (from Ch. 122, par. 50-6)

Sec. 6. (a) No school student records or information contained therein may be released, transferred, disclosed or otherwise disseminated, except as follows:

(1) To a parent or student or person specifically designated as a representative by a parent, as provided in paragraph (a) of Section 5;

(2) To an employee or official of the school or school district or State Board with current demonstrable educational or administrative interest in the student, in furtherance of such interest;

(3) To the official records custodian of another school within Illinois or an official with similar responsibilities of a school outside Illinois, in which the student has enrolled, or intends to enroll, upon the request of such official or student;

(4) To any person for the purpose of research, statistical reporting, or planning, provided that such research, statistical reporting, or planning is permissible under and undertaken in accordance with the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) ~~no student or parent can be identified from the information released and the person to whom the information is released signs an affidavit agreeing to comply with all applicable statutes and rules pertaining to school student records~~;

(5) Pursuant to a court order, provided that the parent shall be given prompt written notice upon receipt of such order of the terms of the order, the nature and substance of the information proposed to be released in compliance with such order and an opportunity to inspect and copy the school student records and to challenge their contents pursuant to Section 7;

(6) To any person as specifically required by State or federal law;

(6.5) To juvenile authorities when necessary for the discharge of their official duties who request information prior to adjudication of the student and who certify in writing that the information will not be disclosed to any other party except as provided under law or order of court.

For purposes of this Section "juvenile authorities" means: (i) a judge of the circuit court and members of the staff of the court designated by the judge; (ii) parties to the proceedings under the Juvenile Court Act of 1987 and their attorneys; (iii) probation officers and court appointed advocates for the juvenile authorized by the judge hearing the case; (iv) any individual, public or private agency having custody of the child pursuant to court order; (v) any individual, public or private agency providing education, medical or mental health service to the child when the requested information is needed to determine the appropriate service or treatment for the minor; (vi) any potential placement provider when such release is authorized by the court for the limited purpose of determining the appropriateness of the potential placement; (vii) law enforcement officers and prosecutors; (viii) adult and juvenile prisoner review boards; (ix) authorized military personnel; (x) individuals authorized by court;

(7) Subject to regulations of the State Board, in connection with an emergency, to appropriate persons if the knowledge of such information is necessary to protect the health or safety of the student or other persons;

(8) To any person, with the prior specific dated written consent of the parent designating the person to whom the records may be released, provided that at the time any such consent is requested or obtained, the parent shall be advised in writing that he has the right to inspect and copy such records in accordance with Section 5, to challenge their contents in accordance with Section 7 and to limit any such consent to designated records or designated portions of the information contained therein;

(9) To a governmental agency, or social service agency contracted by a governmental agency, in furtherance of an investigation of a student's school attendance pursuant to the compulsory student attendance laws of this State, provided that the records are released to the employee or agent designated by the agency;

(10) To those SHOCAP committee members who fall within the meaning of "state and local officials and authorities", as those terms are used within the meaning of the federal Family Educational Rights and Privacy Act, for the purposes of identifying serious habitual juvenile offenders and matching those offenders with community resources pursuant to Section 5-145 of the Juvenile Court Act of 1987, but only to the extent that the release, transfer, disclosure, or dissemination is consistent with the Family Educational Rights and Privacy Act; or

(11) To the Department of Healthcare and Family Services in furtherance of the requirements of Section 2-3.131, 3-14.29, 10-28, or 34-18.26 of the School Code or Section 10 of the School Breakfast and Lunch Program Act.

(12) To the State Board or another State government agency or between or among State government agencies in order to evaluate or audit federal and State programs or perform research and planning, but only to the extent that the release, transfer, disclosure, or dissemination is consistent with the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g ~~1221 et seq.~~).

(b) No information may be released pursuant to subparagraphs (3) or (6) of paragraph (a) of this Section 6 unless the parent receives prior written notice of the nature and substance of the information proposed to be released, and an opportunity to inspect and copy such records in accordance with Section 5 and to challenge their contents in accordance with Section 7. Provided, however, that such notice shall be sufficient if published in a local newspaper of general circulation or other publication directed generally to the parents involved where the proposed release of information is pursuant to subparagraph 6 of paragraph (a) in this Section 6 and relates to more than 25 students.

(c) A record of any release of information pursuant to this Section must be made and kept as a part of the school student record and subject to the access granted by Section 5. Such record of release shall be maintained for the life of the school student records and shall be available only to the parent and the official records custodian. Each record of release shall also include:

(1) The nature and substance of the information released;

(2) The name and signature of the official records custodian releasing such information;

(3) The name of the person requesting such information, the capacity in which such a request has been made, and the purpose of such request;

(4) The date of the release; and

(5) A copy of any consent to such release.

(d) Except for the student and his parents, no person to whom information is released pursuant to this Section and no person specifically designated as a representative by a parent may permit any other person to have access to such information without a prior consent of the parent obtained in accordance with the requirements of subparagraph (8) of paragraph (a) of this Section.

(e) Nothing contained in this Act shall prohibit the publication of student directories which list student

names, addresses and other identifying information and similar publications which comply with regulations issued by the State Board.
(Source: P.A. 95-331, eff. 8-21-07; 95-793, eff. 1-1-09.)

Section 999. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Steans, **Senate Bill No. 1828**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Link	Rutherford
Bivins	Frerichs	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Bond	Haine	Martinez	Silverstein
Brady	Harmon	McCarter	Steans
Burzynski	Hendon	Meeks	Sullivan
Clayborne	Holmes	Millner	Syverson
Collins	Hunter	Munoz	Trotter
Cronin	Hutchinson	Murphy	Viverito
Crotty	Jacobs	Noland	Wilhelmi
Dahl	Jones, E.	Pankau	Mr. President
DeLeo	Jones, J.	Radogno	
Delgado	Koehler	Raoul	
Demuzio	Lauzen	Righter	
Duffy	Lightford	Risinger	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Frerichs, **Senate Bill No. 1830**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Harmon	Martinez	Silverstein

Burzynski	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Murphy	Viverito
Dahl	Jones, E.	Noland	Wilhelmi
DeLeo	Jones, J.	Pankau	Mr. President
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Frerichs, **Senate Bill No. 1832**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Harmon	Martinez	Silverstein
Burzynski	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Murphy	Viverito
Dahl	Jones, E.	Noland	Wilhelmi
DeLeo	Jones, J.	Pankau	Mr. President
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Crotty, **Senate Bill No. 1833**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Frerichs	Link	Rutherford
Bivins	Garrett	Luechtefeld	Sandoval

Bond	Haine	Maloney	Schoenberg
Brady	Harmon	Martinez	Silverstein
Burzynski	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Murphy	Viverito
Dahl	Jones, E.	Noland	Wilhelmi
DeLeo	Jones, J.	Pankau	Mr. President
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	
Forby	Lightford	Risinger	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Demuzio, **Senate Bill No. 1837**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Pankau	Wilhelmi
Delgado	Jones, J.	Radogno	Mr. President
Demuzio	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Noland asked and obtained unanimous consent for the Journal to reflect his affirmative vote on **Senate Bill No. 1837**.

On motion of Senator Althoff, **Senate Bill No. 1843**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Harmon	Martinez	Silverstein
Burzynski	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Murphy	Viverito
Dahl	Jones, E.	Noland	Wilhelmi
DeLeo	Jones, J.	Pankau	Mr. President
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Raoul, **Senate Bill No. 1846** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1846

AMENDMENT NO. 2 . Amend Senate Bill 1846, immediately below the enacting clause, by inserting the following:

"Section 3. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by adding Section 605-725 as follows:

(20 ILCS 605/605-725 new)

Sec. 605-725. Incentive grants for the Metropolitan Pier and Exposition Authority. The Department and the Metropolitan Pier and Exposition Authority may enter into grant agreements to reimburse the Authority for incentives awarded by the Authority to attract large conventions, meetings, and trade shows to its facilities. The Department may reimburse the Authority only for incentives provided in consultation with the Chicago Convention and Tourism Bureau for conventions, meetings, or trade shows that (i) the Authority certifies have registered attendance in excess of 10,000 individuals, (ii) but for the incentive, would not have used the facilities of the Authority, and (iii) have been approved by the Chief Executive Officer of the Authority and the Chairman of the Authority at the time of the incentive. Reimbursements shall be made from amounts appropriated to the Department from the Metropolitan Pier and Exposition Authority Incentive Fund for those purposes."; and

on page 1, line 5, after "8.25f", by inserting "and by adding Section 5.719"; and

on page 1, immediately below line 5, by inserting the following:

"(30 ILCS 105/5.719 new)

Sec. 5.719. The Metropolitan Pier and Exposition Authority Incentive Fund."; and

on page 90, line 25, by replacing "Sections 13 and 13.2" with "Sections 5, 13, and 13.2"; and

on page 90, immediately below line 25, by inserting the following:

"(70 ILCS 210/5) (from Ch. 85, par. 1225)

Sec. 5. The Metropolitan Pier and Exposition Authority shall also have the following rights and

powers:

(a) To accept from Chicago Park Fair, a corporation, an assignment of whatever sums of money it may have received from the Fair and Exposition Fund, allocated by the Department of Agriculture of the State of Illinois, and Chicago Park Fair is hereby authorized to assign, set over and transfer any of those funds to the Metropolitan Pier and Exposition Authority. The Authority has the right and power hereafter to receive sums as may be distributed to it by the Department of Agriculture of the State of Illinois from the Fair and Exposition Fund pursuant to the provisions of Sections 5, 6i, and 28 of the State Finance Act. All sums received by the Authority shall be held in the sole custody of the secretary-treasurer of the Metropolitan Pier and Exposition Board.

(b) To accept the assignment of, assume and execute any contracts heretofore entered into by Chicago Park Fair.

(c) To acquire, own, construct, equip, lease, operate and maintain grounds, buildings and facilities to carry out its corporate purposes and duties, and to carry out or otherwise provide for the recreational, cultural, commercial or residential development of Navy Pier, and to fix and collect just, reasonable and nondiscriminatory charges for the use thereof. The charges so collected shall be made available to defray the reasonable expenses of the Authority and to pay the principal of and the interest upon any revenue bonds issued by the Authority. The Authority shall be subject to and comply with the Lake Michigan and Chicago Lakefront Protection Ordinance, the Chicago Building Code, the Chicago Zoning Ordinance, and all ordinances and regulations of the City of Chicago contained in the following Titles of the Municipal Code of Chicago: Businesses, Occupations and Consumer Protection; Health and Safety; Fire Prevention; Public Peace, Morals and Welfare; Utilities and Environmental Protection; Streets, Public Ways, Parks, Airports and Harbors; Electrical Equipment and Installation; Housing and Economic Development (only Chapter 5-4 thereof); and Revenue and Finance (only so far as such Title pertains to the Authority's duty to collect taxes on behalf of the City of Chicago).

(d) To enter into contracts treating in any manner with the objects and purposes of this Act.

(e) To lease any buildings to the Adjutant General of the State of Illinois for the use of the Illinois National Guard or the Illinois Naval Militia.

(f) To exercise the right of eminent domain by condemnation proceedings in the manner provided by the Eminent Domain Act, including, with respect to Site B only, the authority to exercise quick take condemnation by immediate vesting of title under Article 20 of the Eminent Domain Act, to acquire any privately owned real or personal property and, with respect to Site B only, public property used for rail transportation purposes (but no such taking of such public property shall, in the reasonable judgment of the owner, interfere with such rail transportation) for the lawful purposes of the Authority in Site A, at Navy Pier, and at Site B. Just compensation for property taken or acquired under this paragraph shall be paid in money or, notwithstanding any other provision of this Act and with the agreement of the owner of the property to be taken or acquired, the Authority may convey substitute property or interests in property or enter into agreements with the property owner, including leases, licenses, or concessions, with respect to any property owned by the Authority, or may provide for other lawful forms of just compensation to the owner. Any property acquired in condemnation proceedings shall be used only as provided in this Act. Except as otherwise provided by law, the City of Chicago shall have a right of first refusal prior to any sale of any such property by the Authority to a third party other than substitute property. The Authority shall develop and implement a relocation plan for businesses displaced as a result of the Authority's acquisition of property. The relocation plan shall be substantially similar to provisions of the Uniform Relocation Assistance and Real Property Acquisition Act and regulations promulgated under that Act relating to assistance to displaced businesses. To implement the relocation plan the Authority may acquire property by purchase or gift or may exercise the powers authorized in this subsection (f), except the immediate vesting of title under Article 20 of the Eminent Domain Act, to acquire substitute private property within one mile of Site B for the benefit of displaced businesses located on property being acquired by the Authority. However, no such substitute property may be acquired by the Authority unless the mayor of the municipality in which the property is located certifies in writing that the acquisition is consistent with the municipality's land use and economic development policies and goals. The acquisition of substitute property is declared to be for public use. In exercising the powers authorized in this subsection (f), the Authority shall use its best efforts to relocate businesses within the area of McCormick Place or, failing that, within the City of Chicago.

(g) To enter into contracts relating to construction projects which provide for the delivery by the contractor of a completed project, structure, improvement, or specific portion thereof,

for a fixed maximum price, which contract may provide that the delivery of the project, structure, improvement, or specific portion thereof, for the fixed maximum price is insured or guaranteed by a third party capable of completing the construction.

(h) To enter into agreements with any person with respect to the use and occupancy of the grounds, buildings, and facilities of the Authority, including concession, license, and lease agreements on terms and conditions as the Authority determines. Notwithstanding Section 24, agreements with respect to the use and occupancy of the grounds, buildings, and facilities of the Authority for a term of more than one year shall be entered into in accordance with the procurement process provided for in Section 25.1.

(i) To enter into agreements with any person with respect to the operation and management of the grounds, buildings, and facilities of the Authority or the provision of goods and services on terms and conditions as the Authority determines.

(j) After conducting the procurement process provided for in Section 25.1, to enter into one or more contracts to provide for the design and construction of all or part of the Authority's Expansion Project grounds, buildings, and facilities. Any contract for design and construction of the Expansion Project shall be in the form authorized by subsection (g), shall be for a fixed maximum price not in excess of the funds that are authorized to be made available for those purposes during the term of the contract, and shall be entered into before commencement of construction.

(k) To enter into agreements, including project agreements with labor unions, that the Authority deems necessary to complete the Expansion Project or any other construction or improvement project in the most timely and efficient manner and without strikes, picketing, or other actions that might cause disruption or delay and thereby add to the cost of the project.

(l) To provide incentives to organizations and entities that agree to make use of the grounds, buildings, and facilities of the Authority for conventions, meetings, or trade shows. The incentives may take the form of discounts from regular fees charged by the Authority, subsidies for or assumption of the costs incurred with respect to the convention, meeting, or trade show, or other inducements. The Authority shall be reimbursed by the Department of Commerce and Economic Opportunity for incentives that qualify under the provisions of Section 605-725 of the Civil Administrative Code of Illinois.

No later than February 15 of each year, the Chairman of the Metropolitan Pier and Exposition Authority shall certify to the Department of Commerce and Economic Opportunity, the State Comptroller, and the State Treasurer the amounts provided during the previous calendar year as incentives for conventions, meetings, or trade shows that demonstrate registered attendance in excess of 10,000 individuals, and that but for the incentive, would not have used the facilities of the Authority for the convention, meeting, or trade show. Subject to appropriation, on July 15 of each year the Comptroller shall order transferred and the Treasurer shall transfer into the Metropolitan Pier and Exposition Authority Incentive Fund from the General Revenue Fund the lesser of the amount certified by the Chairman or $10,000,000. No later than 30 days after the transfer, amounts in the Fund shall be paid by the Department of Commerce and Economic Opportunity to the Authority to reimburse the Authority for incentives paid to attract large conventions, meetings, and trade shows to its facilities in the previous calendar year as provided in Section 605-725 of the Civil Administrative Code of Illinois. Provided that all amounts certified by the Authority have been paid, on the last day of each fiscal year moneys remaining in the Fund shall be transferred to the General Revenue Fund.

Nothing in this Act shall be construed to authorize the Authority to spend the proceeds of any bonds or notes issued under Section 13.2 or any taxes levied under Section 13 to construct a stadium to be leased to or used by professional sports teams.

(Source: P.A. 94-1055, eff. 1-1-07.)"; and

on page 108, line 12, after "deficiencies", by inserting "in such prior transfers,"; and

on page 108, line 16, by deleting "in such prior transfers,".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

[April 1, 2009]

On motion of Senator Raoul, **Senate Bill No. 1846**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 44; NAYS 9; Present 2.

The following voted in the affirmative:

Althoff	Haine	Martinez	Sandoval
Brady	Hendon	Meeks	Schoenberg
Clayborne	Holmes	Millner	Silverstein
Collins	Hunter	Munoz	Steans
Cronin	Hutchinson	Murphy	Trotter
Crotty	Jacobs	Noland	Viverito
DeLeo	Jones, E.	Pankau	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Duffy	Lightford	Righter	
Frerichs	Link	Risinger	
Garrett	Maloney	Rutherford	

The following voted in the negative:

Bivins	Burzynski	Lauzen
Bomke	Dahl	McCarter
Bond	Jones, J.	Syverson

The following voted present:

Harmon
Sullivan

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Munoz asked and obtained unanimous consent to recess for the purpose of a Democrat caucus.

Senator Righter asked and obtained unanimous consent to recess for the purpose of a Republican caucus.

At the hour of 12:41 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 3:10 o'clock p.m., the Senate resumed consideration of business.

Senator Hendon, presiding.

LEGISLATIVE MEASURES FILED

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

Senate Floor Amendment No. 2 to Senate Bill 349
Senate Floor Amendment No. 4 to Senate Bill 1852

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

Senate Floor Amendment No. 1 to Senate Joint Resolution 52

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

Senate Floor Amendment No. 3 to House Bill 210
Senate Floor Amendment No. 2 to House Bill 289
Senate Floor Amendment No. 3 to House Bill 289

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1847**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator DeLeo, **Senate Bill No. 1858**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Sullivan, **Senate Bill No. 1866**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Kotowski, **Senate Bill No. 1868**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None; Present 2.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Schoenberg
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hultgren	Meeks	Trotter
Crotty	Hunter	Millner	Viverito
Dahl	Hutchinson	Munoz	Wilhelmi
DeLeo	Jacobs	Murphy	Mr. President
Delgado	Jones, E.	Noland	
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

The following voted present:

Raoul
Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Kotowski, **Senate Bill No. 1877** was recalled from the order of third reading to the order of second reading.

Senator Kotowski offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1877

AMENDMENT NO. 1 . Amend Senate Bill 1877 by replacing everything after the enacting clause with the following:

"Section 5. The State Employees Group Insurance Act of 1971 is amended by changing Section 6.11 as follows:

(5 ILCS 375/6.11)

(Text of Section before amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.9, 356z.10, 356z.13 ~~356z.11~~, ~~and~~ 356z.14 , and 356z.15 of the Illinois Insurance Code. The program of health benefits must comply with Section 155.37 of the Illinois Insurance Code.

(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

(Text of Section after amendment by P.A. 95-958)

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.5, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.9, 356z.10, 356z.11, ~~and~~ 356z.12 , 356z.13 ~~356z.11~~, ~~and~~ 356z.14 , and 356z.15 of the Illinois Insurance Code. The program of health benefits must comply with Section 155.37 of the Illinois Insurance Code.
(Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

Section 10. The Illinois Insurance Code is amended by adding Section 356z.15 as follows:
(215 ILCS 5/356z.15 new)
Sec. 356z.15. Wellness coverage.
(a) A group or individual policy of accident and health insurance or managed care plan amended, delivered, issued, or renewed after the effective date of this amendatory Act of the 96th General Assembly that provides coverage for hospital or medical treatment on an expense incurred basis may offer a reasonably designed program for wellness coverage that allows for a reward, a health spending account contribution, a reduction in premiums or reduced medical, prescription drug, or equipment copayments, coinsurance, or deductibles, or a combination of these incentives, for participation in any health behavior wellness, maintenance, or improvement program approved or offered by the insurer or managed care plan. The insured or enrollee may be required to provide evidence of participation in a program, or demonstrative compliance with treatment recommendations as determined by the health insurer or managed care plan.
(b) For purposes of this Section, "wellness coverage" means health care coverage with the primary purpose to engage and motivate the insured or enrollee through: incentives; provision of health education, counseling, and self-management skills; identification of modifiable health risks; and other activities to influence health behavior changes.
(c) Incentives as outlined in this Section are specific and unique to the offering of wellness coverage and have no application to any other required or optional health care benefit.
(d) Such wellness coverage must satisfy the requirements for an exception from the general prohibition against discrimination based on a health factor under the federal Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191; 110 Stat. 1936), including any federal regulations that are adopted pursuant to that Act.
(e) A plan offering wellness coverage must do the following:
(i) give participants the opportunity to qualify for offered incentives at least once a year;
(ii) allow a reasonable alternative to any individual for whom it is unreasonably difficult, due to a medical condition, to satisfy otherwise applicable wellness program standards. Plans may seek physician verification that health factors make it unreasonably difficult or medically inadvisable for the participant to satisfy the standards; and
(iii) not provide a total incentive that exceeds 20% of the cost of employee-only coverage. The cost of employee-only coverage includes both employer and employee contributions. For plans offering family coverage, the 20% limitation applies to cost of family coverage and applies to the entire family.
(f) A reward, health spending account contribution, or reduction established under this Section does not violate Section 151 of this Code.
(g) Rulemaking authority to implement this amendatory Act of the 96th 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.

Section 15. 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)
(Text of Section before amendment by P.A. 95-958)
Sec. 5-3. Insurance Code provisions.
(a) Health Maintenance Organizations shall be subject to the provisions of Sections 133, 134, 137, 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, 355.2, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.13 ~~356z.11~~, 356z.14, 356z.15, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e, 370c, 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.
(Source: P.A. 94-906, eff. 1-1-07; 94-1076, eff. 12-29-06; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

(Text of Section after amendment by P.A. 95-958)

Sec. 5-3. Insurance Code provisions.

(a) Health Maintenance Organizations shall be subject to the provisions of Sections 133, 134, 137, 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, 355.2, 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.11~~, 356z.14, 356z.15, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e, 370c, 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.

(Source: P.A. 94-906, eff. 1-1-07; 94-1076, eff. 12-29-06; 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; revised 12-15-08.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 99. Effective date. This Act takes effect January 1, 2010.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Kotowski, **Senate Bill No. 1877**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Schoenberg

Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

The following voted present:

Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Cronin, **Senate Bill No. 1882** was recalled from the order of third reading to the order of second reading.

Senator Cronin offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1882

AMENDMENT NO. 1 . Amend Senate Bill 1882 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by adding Section 3-13.5 as follows:

(105 ILCS 5/3-13.5 new)

(Section scheduled to be repealed on August 2, 2010)

Sec. 3-13.5. Streamlining Illinois' Educational Delivery Systems Task Force.

(a) Recognizing the virtue of the regional offices of education in that locally elected public servants are working closely with local school boards and superintendents and in partnership with the State Board of Education and in an effort to deliver these educational services more efficiently and effectively, there is hereby established a Streamlining Illinois' Educational Delivery Systems Task Force. The Task Force shall explore and examine all duties of the State Board of Education and all regional support systems for school districts, including without limitation the regional offices of education, intermediate service centers, special education cooperatives, education for employments systems, and learning technology centers and the support provided by the State Board of Education to City of Chicago School District 299 pursuant to Section 3-0.01 of this Code, in order to determine which duties and responsibilities should be provided regionally to more appropriately and efficiently deliver services. The Task Force shall include as part of its review an examination of how the regional support systems can centrally coordinate communication with private school systems. The Task Force shall ensure that its recommendations include specifics as to the necessary funding to carry out identified responsibilities.

(b) The Task Force shall consist of all of the following voting members:

(1) One person appointed by the Governor, who shall serve as chairperson of the Task Force.

(2) One member appointed by the President of the Senate.

(3) One member appointed by the Minority Leader of the Senate.

(4) One member appointed by the Speaker of the House of Representatives.

(5) One member appointed by the Minority Leader of the House of Representatives.

(6) One member appointed by an association representing regional superintendents of schools for each of the 6 regional areas.

(7) One member appointed by an association representing school boards.

(8) One member appointed by an association representing school administrators.

(9) One member appointed by an association representing school business officials.

(10) One district superintendent from an urban school district appointed by the State Superintendent of Education.

(11) One district superintendent from a rural school district appointed by the State Superintendent of Education.

(12) One member appointed by an association representing special education administrators.

(13) One member appointed by the Chicago Board of Education.

(14) One member appointed by each of 2 statewide associations representing teachers.

Members appointed by the legislative leaders shall be appointed for the duration of the Task Force; in the event of a vacancy, the appointment to fill the vacancy shall be made by the legislative leader of the same house and party as the leader who made the original appointment.

(c) The Task Force may begin to conduct business upon the appointment of a majority of the voting members.

(d) The State Board of Education shall be the agency responsible for providing staff and administrative support to the Task Force.

(e) Members of the Task Force shall receive no compensation for their participation, but may be reimbursed by the State Board of Education for expenses in connection with their participation, including travel, if funds are available.

(f) The Task Force shall submit a final report of its findings and recommendations to the Governor and the General Assembly on or before August 1, 2010. The Task Force may submit other reports as it deems appropriate.

(g) The Task Force is abolished on August 2, 2010, and this Section is repealed on August 2, 2010.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Cronin, **Senate Bill No. 1882**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAY 1.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

The following voted in the negative:

Jacobs

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Burzynski, **Senate Bill No. 1883**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Hultgren, **Senate Bill No. 1885** was recalled from the order of third reading to the order of second reading.

Senator Hultgren offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1885

AMENDMENT NO. 1 . Amend Senate Bill 1885 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Sections 13A-2.5 and 13A-4 as follows:

(105 ILCS 5/13A-2.5)

Sec. 13A-2.5. Disruptive student. "Disruptive student" includes suspension or expulsion eligible students and students, other than students in a school district organized under Article 34 of this Code, against whom juvenile or criminal proceedings alleging the commission of a forcible felony, as defined in Section 2-8 of the Criminal Code of 1961, are pending in any of grades 6 through 12. "Suspension or expulsion eligible students" are those students that have been found to be eligible for suspension or expulsion through the discipline process established by a school district.

(Source: P.A. 89-383, eff. 8-18-95.)

(105 ILCS 5/13A-4)

Sec. 13A-4. Administrative transfers. A student who is determined to be subject to suspension or

expulsion in the manner provided by Section 10-22.6 (or, in the case of a student enrolled in the public schools of a school district organized under Article 34, in accordance with the uniform system of discipline established under Section 34-19) or a student, other than a student in a school district organized under Article 34 of this Code, against whom juvenile or criminal proceedings alleging the commission of a forcible felony, as defined in Section 2-8 of the Criminal Code of 1961, are pending may be immediately transferred to the alternative program. At the earliest time following that transfer appropriate personnel from the sending school district and appropriate personnel of the alternative program shall meet to develop an alternative education plan for the student. The student's parent or guardian shall be invited to this meeting. The student may be invited. The alternative educational plan shall include, but not be limited to all of the following:

(1) The duration of the plan, including a date after which the student may be returned to the regular educational program in the public schools of the transferring district. If the parent or guardian of a student who is scheduled to be returned to the regular education program in the public schools of the district files a written objection to the return with the principal of the alternative school, the matter shall be referred by the principal to the regional superintendent of the educational service region in which the alternative school program is located for a hearing. Notice of the hearing shall be given by the regional superintendent to the student's parent or guardian. After the hearing, the regional superintendent may take such action as he or she finds appropriate and in the best interests of the student. The determination of the regional superintendent shall be final.

(2) The specific academic and behavioral components of the plan.

(3) A method and time frame for reviewing the student's progress.

Notwithstanding any other provision of this Article, if a student for whom an individualized educational program has been developed under Article 14 is transferred to an alternative school program under this Article 13A, that individualized educational program shall continue to apply to that student following the transfer unless modified in accordance with the provisions of Article 14.
(Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Hultgren, **Senate Bill No. 1885**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 33; NAYS 23; Present 1.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Risinger
Bivins	Frerichs	Maloney	Rutherford
Bomke	Garrett	McCarter	Sandoval
Brady	Haine	Millner	Schoenberg
Burzynski	Holmes	Munoz	Syverson
Clayborne	Hultgren	Murphy	Wilhelmi
Dahl	Jones, J.	Pankau	
Dillard	Lauzen	Radogno	
Duffy	Link	Righter	

The following voted in the negative:

Bond	Harmon	Koehler	Silverstein

Cronin	Hendon	Kotowski	Steans
Crotty	Hunter	Lightford	Trotter
DeLeo	Hutchinson	Martinez	Viverito
Delgado	Jacobs	Noland	Mr. President
Demuzio	Jones, E.	Raoul	

The following voted present:

Meeks

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Cronin asked and obtained unanimous consent for the Journal to reflect his affirmative vote on **Senate Bill No. 1885**.

SENATE BILLS RECALLED

On motion of Senator Haine, **Senate Bill No. 1894** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 1 was held in the Committee on Licensed Activities.

Senator Haine offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1894

AMENDMENT NO. 2. Amend Senate Bill 1894 on page 3, line 11, by replacing "OBRE" with "the Department ~~OBRE~~"; and

on page 7, below line 8, by inserting the following:

""Coordinator" means the Coordinator of Real Estate created in Section 25-15 of this Act."; and

on page 7, by replacing lines 24 and 25 with the following:

"~~"Director" means the Director of the Real Estate Division, OBRE.~~"; and

on page 19, lines 8 and 13, by replacing "real estate" each time it appears with "~~real estate~~"; and

on page 22, line 6, after "Section", by inserting "1-10"; and

on page 22, line 14, by replacing "$1,000" with "$1,500 ~~$1,000~~"; and

on page 24, line 14, by replacing "(a) (Blank)." with " ~~(a)~~"; and

on page 25, line 7, by replacing "(b)" with "~~(b)~~"; and

on page 25, line 11, by replacing "of a" with "a"; and

on page 26, line 3, by replacing "(c) (Blank)." with " ~~(c)~~"; and

on page 26, line 6, by replacing "(d) (Blank)." with " ~~(d)~~"; and

on page 26, line 10, by replacing "." with ":"; and

on page 26, line 11, by replacing "(e) (Blank)." with " ~~(e)~~"; and

on page 27, lines 15 and 20, by replacing "." each time it appears with ";"; and

on page 27, line 22, by replacing "." with "; and"; and

on page 28, lines 21 and 22, by replacing "." each time it appears with ";"; and

on page 29, lines 3, 14, and 23, by replacing "." each time it appears with ";"; and

on page 31, line 6, by replacing "broker" with "broker's"; and

on page 32, line 1, after "broker", by inserting "broker,"; and

on page 37, line 2, by replacing "broker" with "broker's"; and

on page 37, line 4, by replacing "OBRE" with "the Department ~~OBRE~~"; and

on page 38, line 6, before "~~Commissioner~~", by inserting " Secretary"; and

on page 39, line 8, by replacing "salesperson to broker license" with "salesperson's license to broker's license"; and

on page 39, line 10, by replacing "salespersons" with "salesperson"; and

on page 40, line 12, by replacing "broker" with "broker's"; and

on page 42, by replacing line 18 with the following:
"broker's license. ~~OBRE shall establish and~~"; and

on page 42, by replacing lines 19 through 26 with the following:
"~~maintain a register of all persons currently licensed by the State and shall issue and prescribe a form of pocket card. Upon payment by a licensee of the appropriate fee as prescribed by rule for engagement in the activity for which the licensee is qualified and holds a license for the current period, OBRE shall issue a pocket card to the licensee. The pocket card shall be verification that the required fee for the current period has been paid and shall indicate that the person~~"; and

on page 43, by replacing lines 1 through 10 with the following:
"~~named thereon is licensed for the current renewal period as a broker, salesperson, or leasing agent as the case may be. The pocket card shall further indicate that the person named thereon is authorized by OBRE to engage in the licensed activity appropriate for his or her status (broker, salesperson, or leasing agent). Each licensee shall carry on his or her person his or her pocket card or, if such pocket card has not yet been issued, a properly issued sponsor card when engaging in any licensed activity and shall display the same on demand.~~"; and

on page 44, below line 10, by inserting the following:
"(e) The Department shall establish and maintain a register of all persons currently licensed by the State and shall issue and prescribe a form of pocket card. Upon payment by a licensee of the appropriate fee as prescribed by rule for engagement in the activity for which the licensee is qualified and holds a license for the current period, the Department shall issue a pocket card to the licensee. The pocket card shall be verification that the required fee for the current period has been paid and shall indicate that the person named thereon is licensed for the current renewal period as a managing broker, broker, salesperson, or leasing agent as the case may be. The pocket card shall further indicate that the person named thereon is authorized by the Department to engage in the licensed activity appropriate for his or her status (managing broker, broker, salesperson, or leasing agent). Each licensee shall carry on his or her person his or her pocket card or, if such pocket card has not yet been issued, a properly issued sponsor card when engaging in any licensed activity and shall display the same on demand. "; and

on page 44, by replacing lines 11 through 13 with the following:
"(f) The Department shall provide to the sponsoring broker a notice of renewal for all sponsored licensees by mailing the notice to the sponsoring broker's address of record, or, at the Department's discretion, by an electronic means as provided for by rule."; and

on page 44, by replacing lines 14 and 15 with the following:
"(g) Upon request from the sponsoring broker, the Department shall make available to the sponsoring

broker, either by mail or by an electronic means at the discretion of the Department, a"; and

on page 45, lines 19 and 20, by deleting "if the application is made prior to May 1, 2012"; and

on page 46, line 4, before "broker", by inserting "managing"; and

on page 47, by replacing lines 5 and 6 with the following:
"(6) the broker was licensed by an examination in a state that has entered into ~~OBRE has~~ a reciprocal agreement with the Department ~~that state that includes the provisions of this Section~~."; and

on page 47, line 7, by replacing "(b)" with "(c) ~~(b)~~"; and

on page 47, line 11, by replacing "nonresident" with "~~nonresident~~"; and

on page 47, lines 11 and 12, by replacing "under the nonresident broker" with "~~under the nonresident broker~~"; and

on page 47, line 24, by replacing "(4) (Blank)." with " ~~(4)~~"; and

on page 48, line 5, immediately after "broker", by inserting ","; and

on page 50, by replacing lines 3 and 4 with the following:
"Section shall be eligible to obtain a resident managing broker's license, a broker's license, or, prior to May 1, 2011, a salesperson's license"; and

on page 50, line 7, by replacing "or" with "for ~~or~~"; and

on page 50, line 22, immediately after "broker", by inserting ","; and

on page 50, line 23, by deleting "licensees"; and

on page 50, line 24, immediately after "managing brokers, brokers", by inserting ","; and

on page 51, line 3, immediately after "broker", by inserting ","; and

on page 51, line 14, by replacing ", the licensee" with "~~, the licensee~~"; and

on page 51, line 15, by replacing "6-hour" with "12-hour ~~6-hour~~"; and

on page 52, line 9, immediately after "brokers", by inserting ","; and

on page 52, line 23, by replacing "broker license" with "broker's license"; and

on page 53, line 2, by replacing "broker" with "broker's"; and

on page 53, by replacing lines 8 through 13 with the following:
"~~condition of license renewal.~~
(d) A person receiving an initial license ~~as a real estate broker~~ during the 90 days before the ~~broker~~ renewal date shall not be required to complete the ~~broker management~~ continuing education courses ~~course~~ provided for in subsection (b) of this Section as a condition of initial license renewal."; and

on page 53, line 14, by replacing "(d)" with "(e) ~~(d)~~"; and

on page 54, line 7, by replacing "(e)" with "(f) ~~(e)~~"; and

on page 54, line 21, by replacing "(f)" with "(g) ~~(f)~~"; and

on page 54, line 22, by replacing "(e)" with "(f) ~~(e)~~"; and

on page 55, line 1, by replacing "(g)" with "(h) ~~(g)~~"; and

on page 55, line 3, by replacing "(h)" with "(i) ~~(h)~~"; and

on page 55, line 6, by replacing "(i)" with "(j) ~~(i)~~"; and

on page 55, line 8, by replacing "(j)" with "(k) ~~(j)~~"; and

on page 55, line 19, by replacing "(k)" with "(l)"; and

on page 58, line 5, by replacing "brokers" with "broker"; and

on page 58, line 14, by replacing "(26) of subsection (h)" with the following:
"(35) ~~(26)~~ of subsection (a) ~~(h)~~"; and

on page 58, lines 22 and 23, by replacing "(26) of ~~subsection (h) of~~" with the following:
"(35) ~~(26)~~ of subsection (a) ~~(h)~~ of"; and

on page 59, line 3, by replacing "Internet" with "via the Internet"; and

on page 59, by replacing lines 11 and 12 with the following:
"information contained therein to the public in an accurate, ~~a~~ direct , and readily comprehensible manner."; and

on page 66, line 22, by replacing lines 22 through 25 with the following:
"(b) ~~(3)~~ The licensee representing the consumer shall discuss with the consumer the sponsoring broker's compensation and policy with regard to cooperating with brokers who represent other parties in a transaction."; and

on page 67, line 1, by replacing "(b)" with "(c) ~~(b)~~"; and

on page 73, lines 5 and 6, by replacing "fine" each time it appears with "penalty ~~fine~~"; and

on page 73, line 7, by replacing "judgement" with "judgment ~~judgement~~"; and

on page 73, line 18, by replacing "~~a~~" with "a"; and

on page 73, line 19, by deleting "issued"; and

on page 78, line 15, by replacing "OBRE" with "Department ~~OBRE~~"; and

on page 80, line 13, by deleting "contract"; and

on page 82, line 7, by replacing "a written" with "an ~~a written~~"; and

on page 83, line 9, by replacing "39" with "(39)"; and

on page 87, line 22, by replacing "rule" with "ruling"; and

on page 89, line 6, by replacing "OBRE" with "the Department ~~OBRE~~"; and

on page 89, lines 20 and 21, by replacing "Commissioner" each time it appears with "Secretary ~~Commissioner~~"; and

on page 91, line 10, by deleting ":"; and

on page 92, line 17, by replacing "Section 20-20" with "Article 20"; and

on page 93, line 10, immediately after "evidence", by inserting ","; and

on page 93, line 25, by replacing "(e) (Blank)." with " ~~(e)~~"; and

on page 94, line 22, by replacing "(f) (Blank)." with " ~~(f)~~"; and

on page 95, line 3, by replacing "(g) (Blank)." with " ~~(g)~~"; and

on page 95, line 12, by replacing "(h) (Blank)." with " ~~(h)~~"; and

on page 95, line 20, by replacing "(i) (Blank)." with " ~~(i)~~"; and

on page 96, line 8, by replacing "(j) (Blank)." with " ~~(j)~~"; and

on page 97, line 14, by replacing "(k) (Blank)." with " ~~(k)~~"; and

on page 97, line 26, by replacing "(m) (Blank)." with " ~~(m)~~"; and

on page 99, line 12, after "after", by deleting "the"; and

on page 99, line 14, by replacing "grounds for the rehearing" with "particular grounds for rehearing"; and

on page 99, line 17, by replacing "20-65" with "20-72"; and

on page 100, lines 22 and 23, by replacing "A board member or member may attend hearings." with "Any Board member may attend the hearing."; and

on page 100, line 24, by replacing "conclusion" with "conclusions"; and

on page 101, line 3, by replacing "the recommendation" with "a recommendation"; and

on page 104, line 3, after "collected", by inserting "under this Act"; and

on page 107, line 24, by replacing "Commissioner" with "Secretary ~~Commissioner~~"; and

on page 116, by replacing lines 6 through 10 with the following:
"that shall be used in connection therewith. Five Board members shall constitute a quorum. A quorum is required for all Board decisions ~~None of the functions, powers, or duties enumerated in~~"; and

on page 117, line 18, after "Department", by inserting "a"; and

on page 119, line 7, by replacing "5,000" with "10,000"; and

on page 119, line 8, by replacing "10,000" with "20,000"; and

on page 119, lines 10 through 13, by deleting "Further, the Department shall dedicate at least one of the investigators and one of the prosecutors to investigate and prosecute complaints and situations involving unlicensed practice of real estate brokerage activities"; and

on page 119, line 14, by replacing "." with "~~.~~"; and

on page 119, line 22, after "shall", by inserting ", at the direction of the Department,"; and

on page 119, line 24, after "fact", by inserting "to the Department"; and

on page 122, line 11, by replacing "OBRE" with "the Department ~~OBRE~~"; and

on page 123, line 11, by replacing "OBRE" with "the Department ~~OBRE~~"; and

on page 126, line 17, by replacing "OBRE" with "the Department ~~OBRE~~"; and

on page 128, lines 2 and 3, by replacing "Board" each time it appears with "Advisory Council"; and

on page 128, by replacing lines 13 through 16 with the following:
"ex officio, without vote. Three Advisory Council members shall constitute a quorum. A quorum is required for all Advisory Council decisions. The Advisory"; and

on page 134, line 20, by changing "of" to "~~of~~".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Haine, **Senate Bill No. 1896**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Haine, **Senate Bill No. 1897**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul

Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Garrett, **Senate Bill No. 1905** was recalled from the order of third reading to the order of second reading.

Senator Garrett offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1905

AMENDMENT NO. __1__. Amend Senate Bill 1905 by replacing everything after the enacting clause with the following:

"Section 5. The Open Meetings Act is amended by changing Section 1.02 as follows:

(5 ILCS 120/1.02) (from Ch. 102, par. 41.02)

Sec. 1.02. For the purposes of this Act:

"Meeting" means any gathering, whether in person or by video or audio conference, telephone call, electronic means (such as, without limitation, electronic mail, electronic chat, and instant messaging), or other means of contemporaneous interactive communication, of a majority of a quorum of the members of a public body held for the purpose of discussing public business or, for a 5-member public body, a quorum of the members of a public body held for the purpose of discussing public business.

Accordingly, for a 5-member public body, 3 members of the body constitute a quorum and the affirmative vote of 3 members is necessary to adopt any motion, resolution, or ordinance, unless a greater number is otherwise required.

"Public body" includes all legislative, executive, administrative or advisory bodies of the State, counties, townships, cities, villages, incorporated towns, school districts and all other municipal corporations, boards, bureaus, committees or commissions of this State, and any subsidiary bodies of any of the foregoing including but not limited to committees and subcommittees which are supported in whole or in part by tax revenue, or which expend tax revenue, except the General Assembly and committees or commissions thereof. "Public body" includes tourism boards and convention or civic center boards located in counties that are contiguous to the Mississippi River with populations of more than 250,000 but less than 300,000. "Public body" includes the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~. "Public body" does not include a child death review team or the Illinois Child Death Review Teams Executive Council established under the Child Death Review Team Act or an ethics commission acting under the State Officials and Employees Ethics Act.

(Source: P.A. 94-1058, eff. 1-1-07; 95-245, eff. 8-17-07.)

Section 10. The State Officials and Employees Ethics Act is amended by changing Section 5-50 as follows:

(5 ILCS 430/5-50)

Sec. 5-50. Ex parte communications; special government agents.

(a) This Section applies to ex parte communications made to any agency listed in subsection (e).

(b) "Ex parte communication" means any written or oral communication by any person that imparts or requests material information or makes a material argument regarding potential action concerning regulatory, quasi-adjudicatory, investment, or licensing matters pending before or under consideration by the agency. "Ex parte communication" does not include the following: (i) statements by a person publicly made in a public forum; (ii) statements regarding matters of procedure and practice, such as format, the number of copies required, the manner of filing, and the status of a matter; and (iii) statements made by a State employee of the agency to the agency head or other employees of that agency.

(b-5) An ex parte communication received by an agency, agency head, or other agency employee from an interested party or his or her official representative or attorney shall promptly be memorialized and made a part of the record.

(c) An ex parte communication received by any agency, agency head, or other agency employee, other than an ex parte communication described in subsection (b-5), shall immediately be reported to that agency's ethics officer by the recipient of the communication and by any other employee of that agency who responds to the communication. The ethics officer shall require that the ex parte communication be promptly made a part of the record. The ethics officer shall promptly file the ex parte communication with the Executive Ethics Commission, including all written communications, all written responses to the communications, and a memorandum prepared by the ethics officer stating the nature and substance of all oral communications, the identity and job title of the person to whom each communication was made, all responses made, the identity and job title of the person making each response, the identity of each person from whom the written or oral ex parte communication was received, the individual or entity represented by that person, any action the person requested or recommended, and any other pertinent information. The disclosure shall also contain the date of any ex parte communication.

(d) "Interested party" means a person or entity whose rights, privileges, or interests are the subject of or are directly affected by a regulatory, quasi-adjudicatory, investment, or licensing matter.

(e) This Section applies to the following agencies:

Executive Ethics Commission
Illinois Commerce Commission
Educational Labor Relations Board
State Board of Elections
Illinois Gaming Board
Health Facilities and Services Review Board
~~Health Facilities Planning Board~~
Illinois Workers' Compensation Commission
Illinois Labor Relations Board
Illinois Liquor Control Commission
Pollution Control Board
Property Tax Appeal Board
Illinois Racing Board
Illinois Purchased Care Review Board
Department of State Police Merit Board
Motor Vehicle Review Board
Prisoner Review Board
Civil Service Commission
Personnel Review Board for the Treasurer
Merit Commission for the Secretary of State
Merit Commission for the Office of the Comptroller
Court of Claims
Board of Review of the Department of Employment Security
Department of Insurance
Department of Professional Regulation and licensing boards under the Department
Department of Public Health and licensing boards under the Department
Office of Banks and Real Estate and licensing boards under the Office
State Employees Retirement System Board of Trustees
Judges Retirement System Board of Trustees

General Assembly Retirement System Board of Trustees
Illinois Board of Investment
State Universities Retirement System Board of Trustees
Teachers Retirement System Officers Board of Trustees

(f) Any person who fails to (i) report an ex parte communication to an ethics officer, (ii) make information part of the record, or (iii) make a filing with the Executive Ethics Commission as required by this Section or as required by Section 5-165 of the Illinois Administrative Procedure Act violates this Act.

(Source: P.A. 95-331, eff. 8-21-07.)

Section 12. The Civil Administrative Code of Illinois is amended by changing Section 5-565 as follows:

(20 ILCS 5/5-565) (was 20 ILCS 5/6.06)

Sec. 5-565. In the Department of Public Health.

(a) The General Assembly declares it to be the public policy of this State that all citizens of Illinois are entitled to lead healthy lives. Governmental public health has a specific responsibility to ensure that a system is in place to allow the public health mission to be achieved. To develop a system requires certain core functions to be performed by government. The State Board of Health is to assume the leadership role in advising the Director in meeting the following functions:

(1) Needs assessment.

(2) Statewide health objectives.

(3) Policy development.

(4) Assurance of access to necessary services.

There shall be a State Board of Health composed of 17 persons, all of whom shall be appointed by the Governor, with the advice and consent of the Senate for those appointed by the Governor on and after June 30, 1998, and one of whom shall be a senior citizen age 60 or over. Five members shall be physicians licensed to practice medicine in all its branches, one representing a medical school faculty, one who is board certified in preventive medicine, and one who is engaged in private practice. One member shall be a dentist; one an environmental health practitioner; one a local public health administrator; one a local board of health member; one a registered nurse; one a veterinarian; one a public health academician; one a health care industry representative; one a representative of the business community; one a representative of the non-profit public interest community; and 2 shall be citizens at large.

The terms of Board of Health members shall be 3 years, except that members shall continue to serve on the Board of Health until a replacement is appointed. Upon the effective date of this amendatory Act of the 93rd General Assembly, in the appointment of the Board of Health members appointed to vacancies or positions with terms expiring on or before December 31, 2004, the Governor shall appoint up to 6 members to serve for terms of 3 years; up to 6 members to serve for terms of 2 years; and up to 5 members to serve for a term of one year, so that the term of no more than 6 members expire in the same year. All members shall be legal residents of the State of Illinois. The duties of the Board shall include, but not be limited to, the following:

(1) To advise the Department of ways to encourage public understanding and support of the Department's programs.

(2) To evaluate all boards, councils, committees, authorities, and bodies advisory to, or an adjunct of, the Department of Public Health or its Director for the purpose of recommending to the Director one or more of the following:

(i) The elimination of bodies whose activities are not consistent with goals and objectives of the Department.

(ii) The consolidation of bodies whose activities encompass compatible programmatic subjects.

(iii) The restructuring of the relationship between the various bodies and their integration within the organizational structure of the Department.

(iv) The establishment of new bodies deemed essential to the functioning of the Department.

(3) To serve as an advisory group to the Director for public health emergencies and control of health hazards.

(4) To advise the Director regarding public health policy, and to make health policy recommendations regarding priorities to the Governor through the Director.

(5) To present public health issues to the Director and to make recommendations for the

resolution of those issues.

(6) To recommend studies to delineate public health problems.

(7) To make recommendations to the Governor through the Director regarding the coordination of State public health activities with other State and local public health agencies and organizations.

(8) To report on or before February 1 of each year on the health of the residents of Illinois to the Governor, the General Assembly, and the public.

(9) To review the final draft of all proposed administrative rules, other than emergency or preemptory rules and those rules that another advisory body must approve or review within a statutorily defined time period, of the Department after September 19, 1991 (the effective date of Public Act 87-633). The Board shall review the proposed rules within 90 days of submission by the Department. The Department shall take into consideration any comments and recommendations of the Board regarding the proposed rules prior to submission to the Secretary of State for initial publication. If the Department disagrees with the recommendations of the Board, it shall submit a written response outlining the reasons for not accepting the recommendations.

In the case of proposed administrative rules or amendments to administrative rules regarding immunization of children against preventable communicable diseases designated by the Director under the Communicable Disease Prevention Act, after the Immunization Advisory Committee has made its recommendations, the Board shall conduct 3 public hearings, geographically distributed throughout the State. At the conclusion of the hearings, the State Board of Health shall issue a report, including its recommendations, to the Director. The Director shall take into consideration any comments or recommendations made by the Board based on these hearings.

(10) To deliver to the Governor for presentation to the General Assembly a State Health Improvement Plan. The first and second such plans shall be delivered to the Governor on January 1, 2006 and on January 1, 2009 respectively, and then every 4 years thereafter.

The Plan shall recommend priorities and strategies to improve the public health system and the health status of Illinois residents, taking into consideration national health objectives and system standards as frameworks for assessment.

The Plan shall also take into consideration priorities and strategies developed at the community level through the Illinois Project for Local Assessment of Needs (IPLAN) and any regional health improvement plans that may be developed. The Plan shall focus on prevention as a key strategy for long-term health improvement in Illinois.

The Plan shall examine and make recommendations on the contributions and strategies of the public and private sectors for improving health status and the public health system in the State. In addition to recommendations on health status improvement priorities and strategies for the population of the State as a whole, the Plan shall make recommendations regarding priorities and strategies for reducing and eliminating health disparities in Illinois; including racial, ethnic, gender, age, socio-economic and geographic disparities.

The Director of the Illinois Department of Public Health shall appoint a Planning Team that includes a range of public, private, and voluntary sector stakeholders and participants in the public health system. This Team shall include: the directors of State agencies with public health responsibilities (or their designees), including but not limited to the Illinois Departments of Public Health and Department of Human Services, representatives of local health departments, representatives of local community health partnerships, and individuals with expertise who represent an array of organizations and constituencies engaged in public health improvement and prevention.

The State Board of Health shall hold at least 3 public hearings addressing drafts of the Plan in representative geographic areas of the State. Members of the Planning Team shall receive no compensation for their services, but may be reimbursed for their necessary expenses.

(11) Upon the request of the Governor, to recommend to the Governor candidates for Director of Public Health when vacancies occur in the position.

(12) To adopt bylaws for the conduct of its own business, including the authority to establish ad hoc committees to address specific public health programs requiring resolution.

(13) To review and comment upon the Comprehensive Health Plan submitted by the Center for Comprehensive Health Planning as provided under Section 2310-217 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois.

Upon appointment, the Board shall elect a chairperson from among its members.

Members of the Board shall receive compensation for their services at the rate of $150 per day, not to exceed $10,000 per year, as designated by the Director for each day required for transacting the business of the Board and shall be reimbursed for necessary expenses incurred in the performance of their duties.

The Board shall meet from time to time at the call of the Department, at the call of the chairperson, or upon the request of 3 of its members, but shall not meet less than 4 times per year.

(b) (Blank).

(c) An Advisory Board on Necropsy Service to Coroners, which shall counsel and advise with the Director on the administration of the Autopsy Act. The Advisory Board shall consist of 11 members, including a senior citizen age 60 or over, appointed by the Governor, one of whom shall be designated as chairman by a majority of the members of the Board. In the appointment of the first Board the Governor shall appoint 3 members to serve for terms of 1 year, 3 for terms of 2 years, and 3 for terms of 3 years. The members first appointed under Public Act 83-1538 shall serve for a term of 3 years. All members appointed thereafter shall be appointed for terms of 3 years, except that when an appointment is made to fill a vacancy, the appointment shall be for the remaining term of the position vacant. The members of the Board shall be citizens of the State of Illinois. In the appointment of members of the Advisory Board the Governor shall appoint 3 members who shall be persons licensed to practice medicine and surgery in the State of Illinois, at least 2 of whom shall have received post-graduate training in the field of pathology; 3 members who are duly elected coroners in this State; and 5 members who shall have interest and abilities in the field of forensic medicine but who shall be neither persons licensed to practice any branch of medicine in this State nor coroners. In the appointment of medical and coroner members of the Board, the Governor shall invite nominations from recognized medical and coroners organizations in this State respectively. Board members, while serving on business of the Board, shall receive actual necessary travel and subsistence expenses while so serving away from their places of residence.

(Source: P.A. 93-975, eff. 1-1-05.)

Section 15. The Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois is amended by adding Section 2310-217 as follows:

(20 ILCS 2310/2310-217 new)

Sec. 2310-217. Center for Comprehensive Health Planning.

(a) The Center for Comprehensive Health Planning ("Center") is hereby created to promote the distribution of health care services and improve the healthcare delivery system in Illinois by establishing a statewide Comprehensive Health Plan and ensuring a predictable, transparent, and efficient Certificate of Need process under the Illinois Health Facilities Planning Act. The objectives of the Comprehensive Health Plan include: to assess existing community resources and determine health care needs; to support safety net services for uninsured and underinsured residents; to promote adequate financing for health care services; and to recognize and respond to changes in community health care needs, including public health emergencies and natural disasters. The Center shall comprehensively assess health and mental health services; assess health needs with a special focus on the identification of health disparities; identify State-level and regional needs; and make findings that identify the impact of market forces on the access to high quality services for uninsured and underinsured residents. The Center shall conduct a biennial comprehensive assessment of health resources and service needs, including, but not limited to, facilities, clinical services, and workforce; conduct needs assessments using key indicators of population health status and determinations of potential benefits that could occur with certain changes in the health care delivery system; collect and analyze relevant, objective, and accurate data, including health care utilization data; identify issues related to health care financing such as revenue streams, federal opportunities, better utilization of existing resources, development of resources, and incentives for new resource development; evaluate findings by the needs assessments; and annually report to the General Assembly and the public.

The Illinois Department of Public Health shall establish a Center for Comprehensive Health Planning to develop a long-range Comprehensive Health Plan, which Plan shall guide the development of clinical services, facilities, and workforce that meet the health and mental health care needs of this State.

(b) Center for Comprehensive Health Planning.

(1) Responsibilities and duties of the Center include:

(A) providing technical assistance to the Health Facilities and Services Review Board to permit that Board to apply relevant components of the Comprehensive Health Plan in its deliberations;

(B) attempting to identify unmet health needs and assist in any inter-agency State planning for health resource development;

(C) considering health plans and other related publications that have been developed in Illinois and nationally;

(D) establishing priorities and recommend methods for meeting identified health service, facilities, and workforce needs. Plan recommendations shall be short term, mid-term, and long-range;

(E) conducting an analysis regarding the availability of long-term care resources throughout the State, using data and plans developed under the Illinois Older Adult Services Act, to adjust existing bed need criteria and standards under the Health Facilities Planning Act for changes in utilization of institutional and non-institutional care options, with special consideration of the availability of the least-restrictive options in accordance with the needs and preferences of persons requiring long-term care; and

(F) considering and recognizing health resource development projects or information on methods by which a community may receive benefit, that are consistent with health resource needs identified through the comprehensive health planning process.

(2) A Comprehensive Health Planner shall be appointed by the Governor from a list of nominees selected by the Special Nomination Panel established in Section 19.7 of the Illinois Health Facilities Planning Act, with the advice and consent of the Senate, to supervise the Center and its staff for a paid 3-year term, subject to review and re-approval every 3 years. The Planner shall receive an annual salary of $120,000, or an amount set by the Compensation Review Board, whichever is greater. The Planner shall prepare a budget for review and approval by the Illinois General Assembly, which shall become part of the annual report available on the Department website.

(c) Comprehensive Health Plan.

(1) The Plan shall be developed with a 5 to 10 year range, and updated every 2 years, or annually, if needed.

(2) Components of the Plan shall include:

(A) an inventory to map the State for growth, population shifts, and utilization of available healthcare resources, using both State-level and regionally defined areas;

(B) an evaluation of health service needs, addressing gaps in service, over-supply, and continuity of care, including an assessment of existing safety net services;

(C) an inventory of health care facility infrastructure, including regulated facilities and services, and unregulated facilities and services, as determined by the Center;

(D) recommendations on ensuring access to care, especially for safety net services, including rural and medically underserved communities; and

(E) an integration between health planning for clinical services, facilities and workforce under the Illinois Health Facilities Planning Act and other health planning laws and activities of the State.

(3) Components of the Plan may include recommendations that will be integrated into any relevant certificate of need review criteria, standards, and procedures.

(d) Within 60 days of receiving the Comprehensive Health Plan, the State Board of Health shall review and comment upon the Plan and any policy change recommendations. The first Plan shall be submitted to the State Board of Health within one year after hiring the Comprehensive Health Planner. The Plan shall be submitted to the General Assembly by the following March 1. The Center and State Board shall hold public hearings on the Plan and its updates. The Center shall permit the public to request the Plan to be updated more frequently to address emerging population and demographic trends.

(e) Current comprehensive health planning data and information about Center funding shall be available to the public on the Department website.

(f) The Department shall submit to a performance audit of the Center by the Auditor General in order to assess whether progress is being made to develop a Comprehensive Health Plan and whether resources are sufficient to meet the goals of the Center for Comprehensive Health Planning.

Section 20. The Illinois Health Facilities Planning Act is amended by changing Sections 2, 3, 4, 4.2, 5, 6, 8.5, 12, 12.2, 12.3, 15.1, 19.5, and 19.6 and by adding Sections 5.4 and 19.7 as follows:

(20 ILCS 3960/2) (from Ch. 111 1/2, par. 1152)

(Section scheduled to be repealed on July 1, 2009)

Sec. 2. Purpose of the Act. ~~The purpose of this Act is to establish a procedure designed to reverse the trends of increasing costs of health care resulting from unnecessary construction or modification of health care facilities. Such procedure shall represent an attempt by the State of Illinois to improve the financial ability of the public to obtain necessary health services, and to establish an orderly and comprehensive health care delivery system which will guarantee the availability of quality health care to the general public.~~ This Act shall establish a procedure (1) which requires a person establishing, constructing or modifying a health care facility, as herein defined, to have the qualifications, background, character and financial resources to adequately provide a proper service for the community; (2) that promotes , through the process of comprehensive health planning ~~recognized local and areawide health facilities planning~~, the orderly and economic development of health care facilities in the State of Illinois that avoids unnecessary duplication of such facilities; (3) that promotes planning for and

development of health care facilities needed for comprehensive health care especially in areas where the health planning process has identified unmet needs; and (4) that carries out these purposes in coordination with the Center for Comprehensive Health Planning ~~Agency~~ and the Comprehensive Health Plan ~~comprehensive State health plan~~ developed by that Center ~~Agency~~.

The changes made to this Act by this amendatory Act of the 96th General Assembly are intended to accomplish the following objectives: to improve the financial ability of the public to obtain necessary health services; to establish an orderly and comprehensive health care delivery system that will guarantee the availability of quality health care to the general public; to maintain and improve the provision of essential health care services and increase the accessibility of those services to the medically underserved and indigent; to assure that the reduction and closure of health care services or facilities is performed in an orderly and timely manner, and that these actions are deemed to be in the best interests of the public; and to assess the financial burden to patients caused by unnecessary health care construction and modification. The Health Facilities and Services Review Board must apply the findings from the Comprehensive Health Plan to update review standards and criteria, as well as better identify needs and evaluate applications, and establish mechanisms to support adequate financing of the health care delivery system in Illinois, for the development and preservation of safety net services. The Board must provide written and consistent decisions that are based on the findings from the Comprehensive Health Plan, as well as other issue or subject specific plans, recommended by the Center for Comprehensive Health Planning. Policies and procedures must include criteria and standards for plan variations and deviations that must be updated. Evidence-based assessments, projections and decisions will be applied regarding capacity, quality, value and equity in the delivery of health care services in Illinois. The integrity of the Certificate of Need process is ensured through implementation of a special panel for nominations of the Certificate of Need Board, as well as revised ethics and communications procedures. Cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process.

(Source: P.A. 80-941.)

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

(Section scheduled to be repealed on July 1, 2009)

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

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

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

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

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

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

No facility established and operating under the Alternative Health Care Delivery Act as a community-based residential rehabilitation center alternative health care model demonstration program or as an Alzheimer's Disease Management Center alternative health care model demonstration program shall be subject to the provisions of this Act.

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

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

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

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

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

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

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

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

"State Board" <u>or "Board"</u> means the Health Facilities <u>and Services Review</u> ~~Planning~~ Board.

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

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

"Major medical equipment" means medical equipment which is used for the provision of medical and other health services and which costs in excess of the capital expenditure minimum, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under Title XVIII of the Social Security Act to meet the requirements of

paragraphs (10) and (11) of Section 1861(s) of such Act. In determining whether medical equipment has a value in excess of the capital expenditure minimum, the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

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

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

"Capital expenditure minimum" means $11,500,000 for projects by hospital applicants, $6,500,000 for applicants for projects related to skilled and intermediate care long-term care facilities licensed under the Nursing Home Care Act, and $3,000,000 for projects by all other applicants ~~$6,000,000~~, which shall be annually adjusted to reflect the increase in construction costs due to inflation, for major medical equipment and for all other capital expenditures~~; provided, however, that when a capital expenditure is for the construction or modification of a health and fitness center, "capital expenditure minimum" means the capital expenditure minimum for all other capital expenditures in effect on March 1, 2000, which shall be annually adjusted to reflect the increase in construction costs due to inflation~~.

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

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

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

~~"Areawide health planning organization" or "Comprehensive health planning organization" means the health systems agency designated by the Secretary, Department of Health and Human Services or any successor agency.~~

~~"Local health planning organization" means those local health planning organizations that are designated as such by the areawide health planning organization of the appropriate area.~~

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

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

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

"Agency" means the Illinois Department of Public Health.

~~"Comprehensive health planning" means health planning concerned with the total population and all health and associated problems that affect the well-being of people and that encompasses health services,~~

~~health manpower, and health facilities; and the coordination among these and with those social, economic, and environmental factors that affect health.~~

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

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

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

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

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

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

"Special Nomination Panel" means the Special Nomination Panel created in Section 19.7 of this Act.

(Source: P.A. 94-342, eff. 7-26-05; 95-331, eff. 8-21-07; 95-543, eff. 8-28-07; 95-584, eff. 8-31-07; 95-727, eff. 6-30-08; 95-876, eff. 8-21-08.)

(20 ILCS 3960/4) (from Ch. 111 1/2, par. 1154)

(Section scheduled to be repealed on July 1, 2009)

Sec. 4. Health Facilities and Services Review ~~Planning~~ Board; membership; appointment; term; compensation; quorum. Notwithstanding any other provision in this Section, members of the State Board holding office on the day before the effective date of this Amendatory Act of the 96th General Assembly shall retain their authority.

(a) There is created the Health Facilities and Services Review ~~Planning~~ Board, which shall perform the functions described in this Act. The Department shall provide operational support to the Board, including the provision of office space, supplies, and clerical, financial, and accounting services. The Board may contract with experts related to specific health services or facilities and create technical advisory panels to assist in the development of criteria, standards, and procedures used in the evaluation of applications for permit and exemption.

(b) Beginning March 1, 2010, the ~~The~~ State Board shall consist of 9 ~~5~~ voting members. The members shall include a paid, full-time chairman, and 8 paid part-time members. Each Board member shall receive an annual salary of $65,000, or such amount as set by the Compensation Review Board, whichever is greater. The chairman of the Board shall receive, in addition to his or her salary, an additional sum of $25,000 per year, or an amount set by the Compensation Review Board, whichever is greater, during such time as he or she shall serve as chairman. All members shall be residents of Illinois and at least 4 shall reside outside the Chicago Metropolitan Statistical Area. Consideration shall be given to potential appointees who reflect the ethnic and cultural diversity of the State. Neither Board members nor Board staff shall be convicted felons or have pled guilty to a felony.

Each member shall have a reasonable knowledge of the practice, procedures and principles of the health care delivery system in Illinois, including at least 5 members who shall be knowledgeable about health care delivery systems, health systems planning, finance, or the management of health care facilities currently regulated under the Act. One member shall be a representative of a non-profit health care consumer advocacy organization ~~health planning, health finance, or health care at the time of his or her appointment~~. Spouses or other members of the immediate family of the Board cannot be an employee, agent, or under contract with services or facilities subject to the Act. Prior to appointment and in the course of service on the Board, members of the Board shall disclose the employment or other financial interest of any other relative of the member, if known, in service or facilities subject to the Act. Members of the Board shall declare any conflict-of-interest that may exist with respect to the status of

those relatives and recuse themselves from voting on any issue for which a conflict-of-interest is declared. No person shall be appointed or continue to serve as a member of the State Board who is, or whose spouse, parent, or child is, a member of the Board of Directors of, has a financial interest in, or has a business relationship with a health care facility.

Notwithstanding any provision of this Section to the contrary, the term of office of each member of the State Board serving on the day before the effective date of this amendatory Act of the 96th General Assembly is abolished on the date upon which members of the 9-member Board, as established by this amendatory Act of the 96th General Assembly, have been appointed and can begin to take action as a Board. Members of the State Board serving on the day before the effective date of this amendatory Act of the 96th General Assembly may be reappointed to the 9-member Board. Prior to March 1, 2010, the Health Facilities Planning Board shall establish a plan to transition its powers and duties to the Health Facilities and Services Review Board. ~~effective date of this amendatory Act of the 93rd General Assembly and those members no longer hold office.~~

(c) The State Board shall be appointed by the Governor from a list of nominees selected by the Special Nomination Panel, with the advice and consent of the Senate. Not more than 5 ~~3~~ of the appointments shall be of the same political party at the time of the appointment. No person shall be appointed as a State Board member if that person has served, after the effective date of Public Act 93-41, 2 3-year terms as a State Board member, except for ex officio non-voting members.

The Secretary of Human Services, the Director of Healthcare and Family Services, and the Director of Public Health, or their designated representatives, shall serve as ex-officio, non-voting members of the State Board.

(d) Of those 9 members initially appointed by the Governor following the effective date of ~~under~~ this amendatory Act of the 96th ~~93rd~~ General Assembly, 3 ~~2~~ shall serve for terms expiring July 1, 2011 ~~2005~~, 3 ~~2~~ shall serve for terms expiring July 1, 2012 ~~2006~~, and 3 ~~1~~ shall serve for terms ~~a term~~ expiring July 1, 2013 ~~2007~~. Thereafter, each appointed member shall hold office for a term of 3 years, provided that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term and the term of office of each successor shall commence on July 1 of the year in which his predecessor's term expires. Each member appointed after the effective date of this amendatory Act of the 96th ~~93rd~~ General Assembly shall hold office until his or her successor is appointed and qualified. No member shall serve more than 3 terms.

(e) State Board members, while serving on business of the State Board, shall receive actual and necessary travel and subsistence expenses while so serving away from their places of residence. Until March 1, 2010, a ~~A~~ member of the State Board who experiences a significant financial hardship due to the loss of income on days of attendance at meetings or while otherwise engaged in the business of the State Board may be paid a hardship allowance, as determined by and subject to the approval of the Governor's Travel Control Board.

The Governor shall separately appoint from a list of nominees selected by the Special Nomination Panel the Chairman of the Board, who shall be a person with expertise in health care delivery system planning, finance or management of health care facilities that are regulated under the Act. The Chairman shall annually review Board member performance and shall report the attendance record of each Board member to the General Assembly.

(g) Board members appointed under this amendatory Act of the 96th General Assembly with unexcused absences from meetings of the full Board shall be fined $500 by way of salary reductions, which may be pro-rated over 4 regularly scheduled pay periods. The State Board, through the Chairman, shall prepare a separate and distinct budget approved by the General Assembly and shall hire and supervise its own professional staff responsible for carrying out the responsibilities of the Board. ~~The Governor shall designate one of the members to serve as Chairman and shall name as full-time Executive Secretary of the State Board, a person qualified in health care facility planning and in administration. The Agency shall provide administrative and staff support for the State Board. The State Board shall advise the Director of its budgetary and staff needs and consult with the Director on annual budget preparation.~~

(h) The State Board shall meet at least every 45 days ~~once each quarter~~, or as often as the Chairman of the State Board deems necessary, or upon the request of a majority of the members.

(i) Five ~~Three~~ members of the State Board shall constitute a quorum. The affirmative vote of 5 ~~3~~ of the members of the State Board shall be necessary for any action requiring a vote to be taken by the State Board. A vacancy in the membership of the State Board shall not impair the right of a quorum to exercise all the rights and perform all the duties of the State Board as provided by this Act.

(j) A State Board member shall disqualify himself or herself from the consideration of any application

for a permit or exemption in which the State Board member or the State Board member's spouse, parent, or child: (i) has an economic interest in the matter; or (ii) is employed by, serves as a consultant for, or is a member of the governing board of the applicant or a party opposing the application.

(k) The Chairman, Board members, and Board staff must comply with the Illinois Governmental Ethics Act.

(Source: P.A. 95-331, eff. 8-21-07.)

(20 ILCS 3960/4.2)

(Section scheduled to be repealed on July 1, 2009)

Sec. 4.2. Ex parte communications.

(a) Except in the disposition of matters that agencies are authorized by law to entertain or dispose of on an ex parte basis including, but not limited to rule making, the State Board, any State Board member, employee, or a hearing officer shall not engage in ex parte communication in connection with the substance of any formally filed ~~pending or impending~~ application for a permit with any person or party or the representative of any party. This subsection (a) applies when the Board, member, employee, or hearing officer knows, or should know upon reasonable inquiry, that the application or exemption has been formally filed with the Board. Nothing in this Section shall prohibit staff members from providing technical assistance to applicants. Nothing in this Section shall prohibit staff from verifying or clarifying an applicant's information as it prepares the Board staff report. Once an application or exemption is filed and deemed complete, a written record of any communication between staff and an applicant shall be prepared by staff and made part of the public record, using a prescribed, standardized format, and shall be included in the application file ~~is pending or impending~~.

(b) A State Board member or employee may communicate with other members or employees and any State Board member or hearing officer may have the aid and advice of one or more personal assistants.

(c) An ex parte communication received by the State Board, any State Board member, employee, or a hearing officer shall be made a part of the record of the matter, including all written communications, all written responses to the communications, and a memorandum stating the substance of all oral communications and all responses made and the identity of each person from whom the ex parte communication was received.

(d) "Ex parte communication" means a communication between a person who is not a State Board member or employee and a State Board member or employee that reflects on the substance of a pending or impending State Board proceeding and that takes place outside the record of the proceeding. Communications regarding matters of procedure and practice, such as the format of pleading, number of copies required, manner of service, and status of proceedings, are not considered ex parte communications. Technical assistance with respect to an application, not intended to influence any decision on the application, may be provided by employees to the applicant. Any assistance shall be documented in writing by the applicant and employees within 10 business days after the assistance is provided.

(e) For purposes of this Section, "employee" means a person the State Board or the Agency employs on a full-time, part-time, contract, or intern basis.

(f) The State Board, State Board member, or hearing examiner presiding over the proceeding, in the event of a violation of this Section, must take whatever action is necessary to ensure that the violation does not prejudice any party or adversely affect the fairness of the proceedings.

(g) Nothing in this Section shall be construed to prevent the State Board or any member of the State Board from consulting with the attorney for the State Board.

(Source: P.A. 93-889, eff. 8-9-04.)

(20 ILCS 3960/5) (from Ch. 111 1/2, par. 1155)

(Section scheduled to be repealed on July 1, 2009)

Sec. 5. Construction, modification, or establishment of health care facilities or acquisition of major medical equipment; permits or exemptions. No ~~After effective dates set by the State Board, no~~ person shall construct, modify or establish a health care facility or acquire major medical equipment without first obtaining a permit or exemption from the State Board. The State Board shall not delegate to the staff ~~Executive Secretary~~ of the State Board or any other person or entity the authority to grant permits or exemptions whenever the staff ~~Executive Secretary~~ or other person or entity would be required to exercise any discretion affecting the decision to grant a permit or exemption. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed. ~~The State Board shall set effective dates applicable to all or to each classification or category of health care facilities and applicable to all or each type of transaction for which a permit is required. Varying effective dates may be set, providing the date or dates so set shall apply uniformly statewide.~~

~~Notwithstanding any effective dates established by this Act or by the State Board, no person shall be required to obtain a permit for any purpose under this Act until the State health facilities plan referred to in paragraph (4) of Section 12 of this Act has been approved and adopted by the State Board subsequent to public hearings having been held thereon.~~

A permit or exemption shall be obtained prior to the acquisition of major medical equipment or to the construction or modification of a health care facility which:

(a) requires a total capital expenditure in excess of the capital expenditure minimum;

or

(b) substantially changes the scope or changes the functional operation of the facility; or

(c) changes the bed capacity of a health care facility by increasing the total number of beds or by distributing beds among various categories of service or by relocating beds from one physical facility or site to another by more than 20 ~~10~~ beds or more than 10% of total bed capacity as defined by the State Board, whichever is less, over a 2 year period.

A permit shall be valid only for the defined construction or modifications, site, amount and person named in the application for such permit and shall not be transferable or assignable. A permit shall be valid until such time as the project has been completed, provided that (a) obligation of the project occurs within 12 months following issuance of the permit except for major construction projects such obligation must occur within 18 months following issuance of the permit; and (b) the project commences and proceeds to completion with due diligence. To monitor progress toward project completion, routine post-permit reports shall be limited to annual progress reports and the final completion and cost report. Projects may deviate from the costs, fees, and expenses provided in their project cost information for the project's cost components, provided that the final total project cost does not exceed the approved permit amount. Major construction projects, for the purposes of this Act, shall include but are not limited to: projects for the construction of new buildings; additions to existing facilities; modernization projects whose cost is in excess of $1,000,000 or 10% of the facilities' operating revenue, whichever is less; and such other projects as the State Board shall define and prescribe pursuant to this Act. The State Board may extend the obligation period upon a showing of good cause by the permit holder. Permits for projects that have not been obligated within the prescribed obligation period shall expire on the last day of that period.

~~Persons who otherwise would be required to obtain a permit shall be exempt from such requirement if the State Board finds that with respect to establishing a new facility or construction of new buildings or additions or modifications to an existing facility, final plans and specifications for such work have prior to October 1, 1974, been submitted to and approved by the Department of Public Health in accordance with the requirements of applicable laws. Such exemptions shall be null and void after December 31, 1979 unless binding construction contracts were signed prior to December 1, 1979 and unless construction has commenced prior to December 31, 1979. Such exemptions shall be valid until such time as the project has been completed provided that the project proceeds to completion with due diligence.~~

The acquisition by any person of major medical equipment that will not be owned by or located in a health care facility and that will not be used to provide services to inpatients of a health care facility shall be exempt from review provided that a notice is filed in accordance with exemption requirements.

Notwithstanding any other provision of this Act, no permit or exemption is required for the construction or modification of a non-clinical service area of a health care facility.

(Source: P.A. 91-782, eff. 6-9-00.)

(20 ILCS 3960/5.4 new)

Sec. 5.4. Safety Net Impact Statement.

(a) General review criteria shall include a requirement that all health care facilities, with the exception of skilled and intermediate long-term care facilities licensed under the Nursing Home Care Act, provide a Safety Net Impact Statement, which shall be filed with an application for a substantive project or when the application proposes to discontinue a category of service.

(b) For the purposes of this Section, "safety net services" are services provided by health care providers or organizations that deliver health care services to persons with barriers to mainstream health care due to lack of insurance, inability to pay, special needs, ethnic or cultural characteristics, or geographic isolation. Safety net service providers include, but are not limited to, hospitals and private practice physicians that provide charity care, school-based health centers, migrant health clinics, rural health clinics, federally qualified health centers, community health centers, public health departments, and community mental health centers.

(c) As developed by the applicant, a Safety Net Impact Statement shall describe all of the following:

(1) The project's material impact, if any, on essential safety net services in the community, to the

extent that it is feasible for an applicant to have such knowledge.

(2) The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

(3) How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

(d) Safety Net Impact Statements shall also include all of the following:

(1) For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

(2) For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

(3) Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

(e) The Board staff shall publish a notice, that an application accompanied by a Safety Net Impact Statement has been filed, in a newspaper having general circulation within the area affected by the application. If no newspaper has a general circulation within the county, the Board shall post the notice in 5 conspicuous places within the proposed area.

(f) Any person, community organization, provider, or health system or other entity wishing to comment upon or oppose the application may file a Safety Net Impact Statement Response with the Board, which shall provide additional information concerning a project's impact on safety net services in the community.

(g) Applicants shall be provided an opportunity to submit a reply to any Safety Net Impact Statement Response.

(h) The Board staff report shall include a statement as to whether a Safety Net Impact Statement was filed by the applicant and whether it included information on charity care, the amount of care provided to Medicaid patients, and information on teaching, research, or any other service provided by the applicant directly relevant to safety net services. The Report shall also indicate the names of the parties submitting responses and the number of responses and replies, if any, that were filed.

(20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

(Section scheduled to be repealed on July 1, 2009)

Sec. 6. Application for permit or exemption; exemption regulations.

(a) An application for a permit or exemption shall be made to the State Board upon forms provided by the State Board. This application shall contain such information as the State Board deems necessary. The State Board shall not require an applicant to file a Letter of Intent before an application is filed. Such application shall include affirmative evidence on which the Director may make the findings required under this Section and upon which the State Board or Chairman may make its decision on the approval or denial of the permit or exemption.

(b) The State Board shall establish by regulation the procedures and requirements regarding issuance of exemptions. An exemption shall be approved when information required by the Board by rule is submitted. Projects eligible for an exemption, rather than a permit, include, but are not limited to, change of ownership of a health care facility. For a change of ownership of a health care facility between related persons, the State Board shall provide by rule for an expedited process for obtaining an exemption.

(c) All applications shall be signed by the applicant and shall be verified by any 2 officers thereof.

(c-5) Any written review or findings of the Board staff ~~Agency~~ or any other reviewing organization under Section 8 concerning an application for a permit must be made available to the public at least 14 calendar days before the meeting of the State Board at which the review or findings are considered. The applicant and members of the public may submit, to the State Board, written responses regarding the facts set forth in ~~support of or in opposition to~~ the review or findings of the Board staff ~~Agency~~ or reviewing organization. Members of the public shall submit any written response at least 10 days before the meeting of the State Board. The Board staff may revise any findings to address corrections of factual errors cited in the public response. ~~A written response must be submitted at least 2 business days before the meeting of the State Board.~~ At the meeting, the State Board may, in its discretion, permit the submission of other additional written materials.

(d) Upon receipt of an application for a permit, the State Board shall approve and authorize the issuance of a permit if it finds (1) that the applicant is fit, willing, and able to provide a proper standard of health care service for the community with particular regard to the qualification, background and character of the applicant, (2) that economic feasibility is demonstrated in terms of effect on the existing and projected operating budget of the applicant and of the health care facility; in terms of the applicant's ability to establish and operate such facility in accordance with licensure regulations promulgated under pertinent state laws; and in terms of the projected impact on the total health care expenditures in the facility and community, (3) that safeguards are provided which assure that the establishment, construction or modification of the health care facility or acquisition of major medical equipment is consistent with the public interest, and (4) that the proposed project is consistent with the orderly and economic development of such facilities and equipment and is in accord with standards, criteria, or plans of need adopted and approved pursuant to the provisions of Section 12 of this Act.
(Source: P.A. 95-237, eff. 1-1-08.)

(20 ILCS 3960/8.5)

(Section scheduled to be repealed on July 1, 2009)

Sec. 8.5. Certificate of exemption for change of ownership of a health care facility; public notice and public hearing.

(a) Upon a finding by the Department of Public Health that an application for a change of ownership is complete, the Department of Public Health shall publish a legal notice on 3 consecutive days in a newspaper of general circulation in the area or community to be affected and afford the public an opportunity to request a hearing. If the application is for a facility located in a Metropolitan Statistical Area, an additional legal notice shall be published in a newspaper of limited circulation, if one exists, in the area in which the facility is located. If the newspaper of limited circulation is published on a daily basis, the additional legal notice shall be published on 3 consecutive days. The legal notice shall also be posted on the Health Facilities and Services Review Board's ~~Illinois Health Facilities Planning Board's~~ web site and sent to the State Representative and State Senator of the district in which the health care facility is located. The Department of Public Health shall not find that an application for change of ownership of a hospital is complete without a signed certification that for a period of 2 years after the change of ownership transaction is effective, the hospital will not adopt a charity care policy that is more restrictive than the policy in effect during the year prior to the transaction.

For the purposes of this subsection, "newspaper of limited circulation" means a newspaper intended to serve a particular or defined population of a specific geographic area within a Metropolitan Statistical Area such as a municipality, town, village, township, or community area, but does not include publications of professional and trade associations.

(b) If a public hearing is requested, it shall be held at least 15 days but no more than 30 days after the date of publication of the legal notice in the community in which the facility is located. The hearing shall be held in a place of reasonable size and accessibility and a full and complete written transcript of the proceedings shall be made. The applicant shall provide a summary of the proposed change of ownership for distribution at the public hearing.
(Source: P.A. 93-935, eff. 1-1-05.)

(20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

(Section scheduled to be repealed on July 1, 2009)

Sec. 12. Powers and duties of State Board. For purposes of this Act, the State Board shall exercise the following powers and duties:

(1) Prescribe rules, regulations, standards, criteria, procedures or reviews which may vary according to the purpose for which a particular review is being conducted or the type of project reviewed and which are required to carry out the provisions and purposes of this Act. Policies and procedures of the State Board shall take into consideration the priorities and needs of medically underserved areas and other health care services identified through the comprehensive health planning process, giving special consideration to the impact of projects on access to safety net services.

(2) Adopt procedures for public notice and hearing on all proposed rules, regulations, standards, criteria, and plans required to carry out the provisions of this Act.

(3) (Blank). ~~Prescribe criteria for recognition for areawide health planning organizations, including, but not limited to, standards for evaluating the scientific bases for judgments on need and procedure for making these determinations.~~

(4) Develop criteria and standards for health care facilities planning, conduct statewide inventories of health care facilities, maintain an updated inventory on the Board's ~~Department's~~ web site reflecting the most recent bed and service changes and updated need determinations when new census data become available or new need formulae are adopted, and develop health care facility plans which shall be

utilized in the review of applications for permit under this Act. Such health facility plans shall be coordinated by the Board ~~Agency~~ with ~~the health care facility plans areawide health planning organizations and with other~~ pertinent State Plans. Inventories pursuant to this Section of skilled or intermediate care facilities licensed under the Nursing Home Care Act or nursing homes licensed under the Hospital Licensing Act shall be conducted on an annual basis no later than July 1 of each year and shall include among the information requested a list of all services provided by a facility to its residents and to the community at large and differentiate between active and inactive beds.

In developing health care facility plans, the State Board shall consider, but shall not be limited to, the following:

(a) The size, composition and growth of the population of the area to be served;

(b) The number of existing and planned facilities offering similar programs;

(c) The extent of utilization of existing facilities;

(d) The availability of facilities which may serve as alternatives or substitutes;

(e) The availability of personnel necessary to the operation of the facility;

(f) Multi-institutional planning and the establishment of multi-institutional systems where feasible;

(g) The financial and economic feasibility of proposed construction or modification; and

(h) In the case of health care facilities established by a religious body or denomination, the needs of the members of such religious body or denomination may be considered to be public need.

The health care facility plans which are developed and adopted in accordance with this Section shall form the basis for the plan of the State to deal most effectively with statewide health needs in regard to health care facilities.

(5) Coordinate with the Center for Comprehensive Health Planning and other state agencies having responsibilities affecting health care facilities, including those of licensure and cost reporting.

(6) Solicit, accept, hold and administer on behalf of the State any grants or bequests of money, securities or property for use by the State Board or Center for Comprehensive Health Planning ~~or recognized areawide health planning organizations~~ in the administration of this Act; and enter into contracts consistent with the appropriations for purposes enumerated in this Act.

(7) The State Board shall prescribe~~, in consultation with the recognized areawide health planning organizations,~~ procedures for review, standards, and criteria which shall be utilized to make periodic ~~areawide~~ reviews and determinations of the appropriateness of any existing health services being rendered by health care facilities subject to the Act. The State Board shall consider recommendations of the Board ~~areawide health planning organization and the Agency~~ in making its determinations.

(8) Prescribe, in consultation with the Center for Comprehensive Health Planning ~~recognized areawide health planning organizations~~, rules, regulations, standards, and criteria for the conduct of an expeditious review of applications for permits for projects of construction or modification of a health care facility, which projects are classified as emergency, substantive, or non-substantive in nature.

Six months after the effective date of this amendatory Act of the 96th General Assembly, substantive projects shall include no more than the following:

(a) Projects to construct (1) a new or replacement facility located on a new site or (2) a replacement facility located on the same site as the original facility and the cost of the replacement facility exceeds the capital expenditure minimum; or

(b) Projects proposing a (1) new service or (2) discontinuation of a service, which shall be reviewed by the Board within 60 days.

(c) Projects proposing a change in the bed capacity of a health care facility by an increase in the total number of beds or by a redistribution of beds among various categories of service or by a relocation of beds from one physical facility or site to another by more than 20 beds or more than 10% of total bed capacity, as defined by the State Board, whichever is less, over a 2-year period.

The Chairman may approve applications for exemption that meet the criteria set forth in rules or refer them to the full Board. The Chairman may approve any unopposed application that meets all of the review criteria or refer them to the full Board.

Such rules shall not abridge the right of the Center for Comprehensive Health Planning ~~areawide health planning organizations~~ to make recommendations on the classification and approval of projects, nor shall such rules prevent the conduct of a public hearing upon the timely request of an interested party. Such reviews shall not exceed 60 days from the date the application is declared to be complete ~~by the Agency~~.

(9) Prescribe rules, regulations, standards, and criteria pertaining to the granting of permits for construction and modifications which are emergent in nature and must be undertaken immediately to

prevent or correct structural deficiencies or hazardous conditions that may harm or injure persons using the facility, as defined in the rules and regulations of the State Board. This procedure is exempt from public hearing requirements of this Act.

(10) Prescribe rules, regulations, standards and criteria for the conduct of an expeditious review, not exceeding 60 days, of applications for permits for projects to construct or modify health care facilities which are needed for the care and treatment of persons who have acquired immunodeficiency syndrome (AIDS) or related conditions.

(11) Issue written decisions upon request of the applicant or an adversely affected party to the Board within 30 days of the meeting in which a final decision has been made. A "final decision" for purposes of this Act is the decision to approve or deny an application, or take other actions permitted under this Act, at the time and date of the meeting that such action is scheduled by the Board.

(12) Require at least one of its members to participate in any public hearing, after the appointment of the 9 members to the Board.

(13) Provide a mechanism for the public to comment on, and request changes to, draft rules and standards.

(14) Implement public information campaigns to regularly inform the general public about the opportunity for public hearings and public hearing procedures.

(15) Establish a separate set of rules and guidelines for long-term care that recognizes that nursing homes are a different business line and service model from other regulated facilities. An open and transparent process shall be developed that considers the following: how skilled nursing fits in the continuum of care with other care providers, modernization, establishment of more private rooms, the development of alternative services, and current trends in long-term care services.

(Source: P.A. 93-41, eff. 6-27-03; 94-983, eff. 6-30-06.)

(20 ILCS 3960/12.2)

(Section scheduled to be repealed on July 1, 2009)

Sec. 12.2. Powers of the State Board staff ~~Agency~~. For purposes of this Act, the staff ~~Agency~~ shall exercise the following powers and duties:

(1) Review applications for permits and exemptions in accordance with the standards, criteria, and plans of need established by the State Board under this Act and certify its finding to the State Board.

(1.5) Post the following on the Board's ~~Department's~~ web site: relevant (i) rules, (ii) standards, (iii) criteria, (iv) State norms, (v) references used by Agency staff in making determinations about whether application criteria are met, and (vi) notices of project-related filings, including notice of public comments related to the application.

(2) Charge and collect an amount determined by the State Board and the staff to be reasonable fees for the processing of applications by the State Board ~~, the Agency, and the appropriate recognized areawide health planning organization~~. The State Board shall set the amounts by rule. Application fees for continuing care retirement communities, and other health care models that include regulated and unregulated components, shall apply only to those components subject to regulation under this Act. All fees and fines collected under the provisions of this Act shall be deposited into the Illinois Health Facilities Planning Fund to be used for the expenses of administering this Act.

(2.1) Publish the following reports on the State Board website:

(A) An annual accounting, aggregated by category and with names of parties redacted, of fees, fines, and other revenue collected as well as expenses incurred, in the administration of this Act.

(B) An annual report, with names of the parties redacted, that summarizes all settlement agreements entered into with the State Board that resolve an alleged instance of noncompliance with State Board requirements under this Act.

(C) A monthly report that includes the status of applications and recommendations regarding updates to the standard, criteria, or the health plan as appropriate.

(D) Board reports showing the degree to which an application conforms to the review standards, a summation of relevant public testimony, and any additional information that staff wants to communicate.

(3) Coordinate with other State agencies having responsibilities affecting health care facilities, including the Center for Comprehensive Health Planning and those of licensure and cost reporting.

(Source: P.A. 93-41, eff. 6-27-03.)

(20 ILCS 3960/12.3)

(Section scheduled to be repealed on July 1, 2009)

Sec. 12.3. Revision of criteria, standards, and rules. At least every 2 years ~~Before December 31, 2004~~, the State Board shall review, revise, and update ~~promulgate~~ the criteria, standards, and rules used to evaluate applications for permit. To the extent practicable, the criteria, standards, and rules shall be based on objective criteria using the inventory and recommendations of the Comprehensive Health Plan

for guidance. The Board may appoint temporary advisory committees made up of experts with professional competence in the subject matter of the proposed standards or criteria to assist in the development of revisions to standards and criteria. In particular, the review of the criteria, standards, and rules shall consider:

(1) Whether the criteria and standards reflect current industry standards and anticipated trends.

(2) Whether the criteria and standards can be reduced or eliminated.

(3) Whether criteria and standards can be developed to authorize the construction of unfinished space for future use when the ultimate need for such space can be reasonably projected.

(4) Whether the criteria and standards take into account issues related to population growth and changing demographics in a community.

(5) Whether facility-defined service and planning areas should be recognized.

(6) Whether categories of service that are subject to review should be re-evaluated, including provisions related to structural, functional, and operational differences between long-term care facilities and acute care facilities and that allow routine changes of ownership, facility sales, and closure requests to be processed on a more timely basis.

(Source: P.A. 93-41, eff. 6-27-03.)

(20 ILCS 3960/15.1) (from Ch. 111 1/2, par. 1165.1)

(Section scheduled to be repealed on July 1, 2009)

Sec. 15.1. No individual who, as a member of the State Board ~~or of an areawide health planning organization board~~, or as an employee of the State ~~or of an areawide health planning organization~~, shall, by reason of his performance of any duty, function, or activity required of, or authorized to be undertaken by this Act, be liable for the payment of damages under any law of the State, if he has acted within the scope of such duty, function, or activity, has exercised due care, and has acted, with respect to that performance, without malice toward any person affected by it.

(Source: P.A. 80-941.)

(20 ILCS 3960/19.5)

(Section scheduled to be repealed on July 1, 2009 and as provided internally)

Sec. 19.5. Audit. Eighteen months after the last member of the 9-member Board is appointed, as required under this amendatory Act of the 96th General Assembly ~~Upon the effective date of this amendatory Act of the 91st General Assembly~~, the Auditor General shall commence a performance audit of the Center for Comprehensive Health Planning, State Board, and the Certificate of Need processes ~~must commence an audit of the State Board~~ to determine:

(1) whether progress is being made to develop a Comprehensive Health Plan and whether resources are sufficient to meet the goals of the Center for Comprehensive Health Planning; ~~whether the State Board can demonstrate that the certificate of need process is successful in controlling health care costs, allowing public access to necessary health services, and guaranteeing the availability of quality health care to the general public;~~

(2) whether changes to the Certificate of Need processes are being implemented effectively, as well as their impact, if any, on access to safety net services; and ~~whether the State Board is following its adopted rules and procedures;~~

(3) whether fines and settlements are fair, consistent, and in proportion to the degree of violations. ~~whether the State Board is consistent in awarding and denying certificates of need; and~~

~~(4) whether the State Board's annual reports reflect a cost savings to the State.~~

The Auditor General must report on the results of the audit to the General Assembly.

This Section is repealed when the Auditor General files his or her report with the General Assembly.

(Source: P.A. 91-782, eff. 6-9-00.)

(20 ILCS 3960/19.6)

(Section scheduled to be repealed on July 1, 2009)

Sec. 19.6. Repeal. This Act is repealed on December 31, 2019 ~~July 1, 2009~~.

(Source: P.A. 94-983, eff. 6-30-06; 95-1, eff. 3-30-07; 95-5, eff. 5-31-07; 95-771, eff. 7-31-08.)

(20 ILCS 3960/19.7 new)

Sec. 19.7. Special Nomination Panel.

(a) The Nomination Panel is established to provide a list of candidates to the Governor for appointment to the Illinois Health Facilities and Services Review Board ("Board"), the position of Chairman of the Board, and the Comprehensive Health Planner. Members of the Nomination Panel shall be appointed by a majority vote of the following appointing authorities: (1) the Executive Ethics Commissioner appointed by the Secretary of State; (2) the Executive Ethics Commissioner appointed by the Treasurer; (3) the Executive Ethics Commissioner appointed by the Comptroller; (4) the Executive

Ethics Commissioner appointed by the Attorney General; and (5) the Executive Ethics Commissioner appointed by the Governor. However, the appointing authorities as of the effective date of this amendatory Act of the 96th General Assembly shall remain empowered to fill vacancies on the Nomination Panel until all members of the new Board, the Chairman of the Board, and the Comprehensive Health Planner have been appointed and qualified, regardless of whether such appointing authorities remain members of the Executive Ethics Commission. In the event of such appointing authority's disqualification, resignation, or refusal to serve as an appointing authority, the Constitutional officer that appointed the Executive Ethics Commissioner may name a designee to serve as an appointing authority for the Nomination Panel. The appointing authorities may hold so many public or non-public meetings as is required to fulfill their duties, and may utilize the staff and budget of the Executive Ethics Commission in carrying out their duties; provided, however, that a final vote on appointees to the Nomination Panel shall take place in a meeting governed by the Open Meetings Act. Any ex parte communications regarding the Nomination Panel must be made a part of the record at the next public meeting and part of a written record. The appointing authorities shall file a list of members of the Nomination Panel with the Secretary of State within 60 days after the effective date of this amendatory Act of the 96th General Assembly. A vacancy on the Nomination Panel due to disqualification or resignation must be filled within 60 days of a vacancy and the appointing authorities must file the name of the new appointee with the Secretary of State.

(b) The Nomination Panel shall consist of 9 members, who may include former federal or State judges from Illinois, former federal prosecutors from Illinois, former sworn federal officers with investigatory experience with a federal agency, or former members of federal agencies with experience in regulatory oversight. Two members shall have at least 5 years of experience with nonprofit agencies in Illinois committed to public-interest advocacy. Members shall submit statements of economic interest to the Secretary of State. Each member of the Nomination Panel shall receive $300 for each day the Nomination Panel meets. The Executive Ethics Commission shall provide staff and support to the Nomination Panel pursuant to appropriations available for those purposes.

(c) Candidates for nomination to the Illinois Health Facilities and Services Review Board, Chairman of the Board, or the position of Comprehensive Health Planner may apply or be nominated. All candidates must fill out a written application and submit to a background investigation to be eligible for consideration. The written application must include, at a minimum, a sworn statement disclosing any communications that the applicant has engaged in with a constitutional officer, a member of the General Assembly, a special government agent (as that term is defined in Section 4A-101 of the Illinois Governmental Ethics Act), a member of the Board or the Nomination Panel, a director, secretary, or other employee of the executive branch of the State, or an employee of the legislative branch of the State related to the regulation of health facilities and services within the last year. A person who knowingly provides false or misleading information on the application or knowingly fails to disclose a communication required to be disclosed in the sworn statement under this Section is guilty of a Class 4 felony.

(d) Once an application is submitted to the Nomination Panel and until (1) the nominee is rejected by the Nomination Panel, (2) the nominee is rejected by the Governor, (3) the candidate is rejected by the Senate, or (4) the candidate is confirmed by the Senate, whichever is applicable, a candidate may not engage in ex parte communications, as that term is defined in Section 5.7 of this Act.

(e) The Nomination Panel shall conduct a background investigation on candidates eligible for nomination to the Board, Chairman of the Board, or the position of Comprehensive Health Planner. For the purpose of making the initial nominations after the effective date of this amendatory Act of the 96th General Assembly, the Nomination Panel shall request the assistance of the Federal Bureau of Investigation to conduct background investigations. If the Federal Bureau of Investigation does not agree to conduct background investigations, or the Federal Bureau of Investigations cannot conduct the background investigations within 120 days after the request is made, the Nomination Panel may contract with an independent agency that specializes in conducting personal investigations. The Nomination Panel may not engage the services or enter into any contract with State or local law enforcement agencies for the conduct of background investigations.

(f) The Nomination Panel must review written applications, determine eligibility for oral interviews, confirm satisfactory background investigations, and hold public hearings on qualifications of candidates. Initial interviews of candidates need not be held in meetings subject to the Open Meetings Act; members or staff may arrange for informal interviews. Prior to recommendation, however, the Nomination Panel must question candidates in a meeting subject to the Open Meetings Act under oath.

(g) The Nomination Panel must recommend candidates for nomination to the Board, the Chairman of the Board, and the position of Comprehensive Health Planner. The Nomination Panel shall recommend 3

candidates for every open position and prepare a memorandum detailing the candidates' qualifications. The names and the memorandum must be delivered to the Governor and filed with the Secretary of State. The Governor may choose only from the recommendations of the Nomination Panel and must nominate a candidate for every open position within 30 days of receiving the recommendations. The Governor shall file the names of his nominees with the Secretary of the Senate and the Secretary of State. If the Governor does not name a nominee for every open position, then the Nomination Panel may select the remaining nominees for the Board, Chairman of the Board, or the position of Comprehensive Health Planner. For the purpose of making the initial recommendations after the effective date of this amendatory Act of the 96th General Assembly, the Nomination Panel shall make recommendations to the Governor no later than 150 days after appointment of all members of the Nomination Panel. For the purpose of filling subsequent vacancies, the Nomination Panel shall make recommendations to the Governor within 90 days of a vacancy in office.

(h) Selections by the Governor must receive the advice and consent of the Illinois Senate by record vote of at least two-thirds of the members elected.

(20 ILCS 3960/8 rep.) (20 ILCS 3960/9 rep.) (20 ILCS 3960/15.5 rep.)

Section 25. The Illinois Health Facilities Planning Act is amended by repealing Sections 8, 9, and 15.5.

Section 30. The Hospital Basic Services Preservation Act is amended by changing Section 15 as follows:

(20 ILCS 4050/15)

Sec. 15. Basic services loans.

(a) Essential community hospitals seeking collateralization of loans under this Act must apply to the Illinois Health Facilities Planning Board on a form prescribed by the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ by rule. The Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ shall review the application and, if it approves the applicant's plan, shall forward the application and its approval to the Hospital Basic Services Review Board.

(b) Upon receipt of the applicant's application and approval from the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~, the Hospital Basic Services Review Board shall request from the applicant and the applicant shall submit to the Hospital Basic Services Review Board all of the following information:

(1) A copy of the hospital's last audited financial statement.

(2) The percentage of the hospital's patients each year who are Medicaid patients.

(3) The percentage of the hospital's patients each year who are Medicare patients.

(4) The percentage of the hospital's patients each year who are uninsured.

(5) The percentage of services provided by the hospital each year for which the hospital expected payment but for which no payment was received.

(6) Any other information required by the Hospital Basic Services Review Board by rule.

The Hospital Basic Services Review Board shall review the applicant's original application, the approval of the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~, and the information provided by the applicant to the Hospital Basic Services Review Board under this Section and make a recommendation to the State Treasurer to accept or deny the application.

(c) If the Hospital Basic Services Review Board recommends that the application be accepted, the State Treasurer may collateralize the applicant's basic service loan for eligible expenses related to completing, attaining, or upgrading basic services, including, but not limited to, delivery, installation, staff training, and other eligible expenses as defined by the State Treasurer by rule. The total cost for any one project to be undertaken by the applicants shall not exceed $10,000,000 and the amount of each basic services loan collateralized under this Act shall not exceed $5,000,000. Expenditures related to basic service loans shall not exceed the amount available in the Fund necessary to collateralize the loans. The terms of any basic services loan collateralized under this Act must be approved by the State Treasurer in accordance with standards established by the State Treasurer by rule.

(Source: P.A. 94-648, eff. 1-1-06.)

Section 35. The Illinois State Auditing Act is amended by changing Section 3-1 as follows:

(30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

Sec. 3-1. Jurisdiction of Auditor General. The Auditor General has jurisdiction over all State agencies to make post audits and investigations authorized by or under this Act or the Constitution.

The Auditor General has jurisdiction over local government agencies and private agencies only:

(a) to make such post audits authorized by or under this Act as are necessary and incidental to a post audit of a State agency or of a program administered by a State agency involving public funds of the State, but this jurisdiction does not include any authority to review local governmental agencies in the obligation, receipt, expenditure or use of public funds of the State that are granted without limitation or condition imposed by law, other than the general limitation that such funds be used for public purposes;

(b) to make investigations authorized by or under this Act or the Constitution; and

(c) to make audits of the records of local government agencies to verify actual costs of state-mandated programs when directed to do so by the Legislative Audit Commission at the request of the State Board of Appeals under the State Mandates Act.

In addition to the foregoing, the Auditor General may conduct an audit of the Metropolitan Pier and Exposition Authority, the Regional Transportation Authority, the Suburban Bus Division, the Commuter Rail Division and the Chicago Transit Authority and any other subsidized carrier when authorized by the Legislative Audit Commission. Such audit may be a financial, management or program audit, or any combination thereof.

The audit shall determine whether they are operating in accordance with all applicable laws and regulations. Subject to the limitations of this Act, the Legislative Audit Commission may by resolution specify additional determinations to be included in the scope of the audit.

In addition to the foregoing, the Auditor General must also conduct a financial audit of the Illinois Sports Facilities Authority's expenditures of public funds in connection with the reconstruction, renovation, remodeling, extension, or improvement of all or substantially all of any existing "facility", as that term is defined in the Illinois Sports Facilities Authority Act.

The Auditor General may also conduct an audit, when authorized by the Legislative Audit Commission, of any hospital which receives 10% or more of its gross revenues from payments from the State of Illinois, Department of Healthcare and Family Services (formerly Department of Public Aid), Medical Assistance Program.

The Auditor General is authorized to conduct financial and compliance audits of the Illinois Distance Learning Foundation and the Illinois Conservation Foundation.

As soon as practical after the effective date of this amendatory Act of 1995, the Auditor General shall conduct a compliance and management audit of the City of Chicago and any other entity with regard to the operation of Chicago O'Hare International Airport, Chicago Midway Airport and Merrill C. Meigs Field. The audit shall include, but not be limited to, an examination of revenues, expenses, and transfers of funds; purchasing and contracting policies and practices; staffing levels; and hiring practices and procedures. When completed, the audit required by this paragraph shall be distributed in accordance with Section 3-14.

The Auditor General shall conduct a financial and compliance and program audit of distributions from the Municipal Economic Development Fund during the immediately preceding calendar year pursuant to Section 8-403.1 of the Public Utilities Act at no cost to the city, village, or incorporated town that received the distributions.

The Auditor General must conduct an audit of the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ pursuant to Section 19.5 of the Illinois Health Facilities Planning Act.

The Auditor General of the State of Illinois shall annually conduct or cause to be conducted a financial and compliance audit of the books and records of any county water commission organized pursuant to the Water Commission Act of 1985 and shall file a copy of the report of that audit with the Governor and the Legislative Audit Commission. The filed audit shall be open to the public for inspection. The cost of the audit shall be charged to the county water commission in accordance with Section 6z-27 of the State Finance Act. The county water commission shall make available to the Auditor General its books and records and any other documentation, whether in the possession of its trustees or other parties, necessary to conduct the audit required. These audit requirements apply only through July 1, 2007.

The Auditor General must conduct audits of the Rend Lake Conservancy District as provided in Section 25.5 of the River Conservancy Districts Act.

The Auditor General must conduct financial audits of the Southeastern Illinois Economic Development Authority as provided in Section 70 of the Southeastern Illinois Economic Development Authority Act.

(Source: P.A. 95-331, eff. 8-21-07.)

Section 40. The Alternative Health Care Delivery Act is amended by changing Sections 20, 30, and 36.5 as follows:

(210 ILCS 3/20)

Sec. 20. Board responsibilities. The State Board of Health shall have the responsibilities set forth in this Section.

(a) The Board shall investigate new health care delivery models and recommend to the Governor and the General Assembly, through the Department, those models that should be authorized as alternative health care models for which demonstration programs should be initiated. In its deliberations, the Board shall use the following criteria:

(1) The feasibility of operating the model in Illinois, based on a review of the experience in other states including the impact on health professionals of other health care programs or facilities.

(2) The potential of the model to meet an unmet need.

(3) The potential of the model to reduce health care costs to consumers, costs to third party payors, and aggregate costs to the public.

(4) The potential of the model to maintain or improve the standards of health care delivery in some measurable fashion.

(5) The potential of the model to provide increased choices or access for patients.

(b) The Board shall evaluate and make recommendations to the Governor and the General Assembly, through the Department, regarding alternative health care model demonstration programs established under this Act, at the midpoint and end of the period of operation of the demonstration programs. The report shall include, at a minimum, the following:

(1) Whether the alternative health care models improved access to health care for their service populations in the State.

(2) The quality of care provided by the alternative health care models as may be evidenced by health outcomes, surveillance reports, and administrative actions taken by the Department.

(3) The cost and cost effectiveness to the public, third-party payors, and government of the alternative health care models, including the impact of pilot programs on aggregate health care costs in the area. In addition to any other information collected by the Board under this Section, the Board shall collect from postsurgical recovery care centers uniform billing data substantially the same as specified in Section 4-2(e) of the Illinois Health Finance Reform Act. To facilitate its evaluation of that data, the Board shall forward a copy of the data to the Illinois Health Care Cost Containment Council. All patient identifiers shall be removed from the data before it is submitted to the Board or Council.

(4) The impact of the alternative health care models on the health care system in that area, including changing patterns of patient demand and utilization, financial viability, and feasibility of operation of service in inpatient and alternative models in the area.

(5) The implementation by alternative health care models of any special commitments made during application review to the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~.

(6) The continuation, expansion, or modification of the alternative health care models.

(c) The Board shall advise the Department on the definition and scope of alternative health care models demonstration programs.

(d) In carrying out its responsibilities under this Section, the Board shall seek the advice of other Department advisory boards or committees that may be impacted by the alternative health care model or the proposed model of health care delivery. The Board shall also seek input from other interested parties, which may include holding public hearings.

(e) The Board shall otherwise advise the Department on the administration of the Act as the Board deems appropriate.

(Source: P.A. 87-1188; 88-441.)

(210 ILCS 3/30)

Sec. 30. Demonstration program requirements. The requirements set forth in this Section shall apply to demonstration programs.

(a) There shall be no more than:

(i) 3 subacute care hospital alternative health care models in the City of Chicago (one of which shall be located on a designated site and shall have been licensed as a hospital under the Illinois Hospital Licensing Act within the 10 years immediately before the application for a license);

(ii) 2 subacute care hospital alternative health care models in the demonstration program for each of the following areas:

(1) Cook County outside the City of Chicago.

(2) DuPage, Kane, Lake, McHenry, and Will Counties.

(3) Municipalities with a population greater than 50,000 not located in the areas described in item (i) of subsection (a) and paragraphs (1) and (2) of item (ii) of subsection (a); and

(iii) 4 subacute care hospital alternative health care models in the demonstration program for rural areas.

In selecting among applicants for these licenses in rural areas, the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ and the Department shall give preference to hospitals that may be unable for economic reasons to provide continued service to the community in which they are located unless the hospital were to receive an alternative health care model license.

(a-5) There shall be no more than a total of 12 postsurgical recovery care center alternative health care models in the demonstration program, located as follows:

(1) Two in the City of Chicago.

(2) Two in Cook County outside the City of Chicago. At least one of these shall be owned or operated by a hospital devoted exclusively to caring for children.

(3) Two in Kane, Lake, and McHenry Counties.

(4) Four in municipalities with a population of 50,000 or more not located in the areas described in paragraphs (1), (2), and (3), 3 of which shall be owned or operated by hospitals, at least 2 of which shall be located in counties with a population of less than 175,000, according to the most recent decennial census for which data are available, and one of which shall be owned or operated by an ambulatory surgical treatment center.

(5) Two in rural areas, both of which shall be owned or operated by hospitals.

There shall be no postsurgical recovery care center alternative health care models located in counties with populations greater than 600,000 but less than 1,000,000. A proposed postsurgical recovery care center must be owned or operated by a hospital if it is to be located within, or will primarily serve the residents of, a health service area in which more than 60% of the gross patient revenue of the hospitals within that health service area are derived from Medicaid and Medicare, according to the most recently available calendar year data from the Illinois Health Care Cost Containment Council. Nothing in this paragraph shall preclude a hospital and an ambulatory surgical treatment center from forming a joint venture or developing a collaborative agreement to own or operate a postsurgical recovery care center.

(a-10) There shall be no more than a total of 8 children's respite care center alternative health care models in the demonstration program, which shall be located as follows:

(1) One in the City of Chicago.

(2) One in Cook County outside the City of Chicago.

(3) A total of 2 in the area comprised of DuPage, Kane, Lake, McHenry, and Will counties.

(4) A total of 2 in municipalities with a population of 50,000 or more and not located in the areas described in paragraphs (1), (2), or (3).

(5) A total of 2 in rural areas, as defined by the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~.

No more than one children's respite care model owned and operated by a licensed skilled pediatric facility shall be located in each of the areas designated in this subsection (a-10).

(a-15) There shall be an authorized community-based residential rehabilitation center alternative health care model in the demonstration program. ~~The community-based residential rehabilitation center shall be located in the area of Illinois south of Interstate Highway 70.~~

(a-20) There shall be an authorized Alzheimer's disease management center alternative health care model in the demonstration program. The Alzheimer's disease management center shall be located in Will County, owned by a not-for-profit entity, and endorsed by a resolution approved by the county board before the effective date of this amendatory Act of the 91st General Assembly.

(a-25) There shall be no more than 10 birth center alternative health care models in the demonstration program, located as follows:

(1) Four in the area comprising Cook, DuPage, Kane, Lake, McHenry, and Will counties, one of which shall be owned or operated by a hospital and one of which shall be owned or operated by a federally qualified health center.

(2) Three in municipalities with a population of 50,000 or more not located in the area described in paragraph (1) of this subsection, one of which shall be owned or operated by a hospital and one of which shall be owned or operated by a federally qualified health center.

(3) Three in rural areas, one of which shall be owned or operated by a hospital and one of which shall be owned or operated by a federally qualified health center.

The first 3 birth centers authorized to operate by the Department shall be located in or predominantly

serve the residents of a health professional shortage area as determined by the United States Department of Health and Human Services. There shall be no more than 2 birth centers authorized to operate in any single health planning area for obstetric services as determined under the Illinois Health Facilities Planning Act. If a birth center is located outside of a health professional shortage area, (i) the birth center shall be located in a health planning area with a demonstrated need for obstetrical service beds, as determined by the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ or (ii) there must be a reduction in the existing number of obstetrical service beds in the planning area so that the establishment of the birth center does not result in an increase in the total number of obstetrical service beds in the health planning area.

(b) Alternative health care models, other than a model authorized under subsections (a-15) and ~~subsection~~ (a-20), shall obtain a certificate of need from the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ under the Illinois Health Facilities Planning Act before receiving a license by the Department. If, after obtaining its initial certificate of need, an alternative health care delivery model that is a community based residential rehabilitation center seeks to increase the bed capacity of that center, it must obtain a certificate of need from the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ before increasing the bed capacity. Alternative health care models in medically underserved areas shall receive priority in obtaining a certificate of need.

(c) An alternative health care model license shall be issued for a period of one year and shall be annually renewed if the facility or program is in substantial compliance with the Department's rules adopted under this Act. A licensed alternative health care model that continues to be in substantial compliance after the conclusion of the demonstration program shall be eligible for annual renewals unless and until a different licensure program for that type of health care model is established by legislation. The Department may issue a provisional license to any alternative health care model that does not substantially comply with the provisions of this Act and the rules adopted under this Act if (i) the Department finds that the alternative health care model has undertaken changes and corrections which upon completion will render the alternative health care model in substantial compliance with this Act and rules and (ii) the health and safety of the patients of the alternative health care model will be protected during the period for which the provisional license is issued. The Department shall advise the licensee of the conditions under which the provisional license is issued, including the manner in which the alternative health care model fails to comply with the provisions of this Act and rules, and the time within which the changes and corrections necessary for the alternative health care model to substantially comply with this Act and rules shall be completed.

(d) Alternative health care models shall seek certification under Titles XVIII and XIX of the federal Social Security Act. In addition, alternative health care models shall provide charitable care consistent with that provided by comparable health care providers in the geographic area.

(d-5) The Department of Healthcare and Family Services (formerly Illinois Department of Public Aid), in cooperation with the Illinois Department of Public Health, shall develop and implement a reimbursement methodology for all facilities participating in the demonstration program. The Department of Healthcare and Family Services shall keep a record of services provided under the demonstration program to recipients of medical assistance under the Illinois Public Aid Code and shall submit an annual report of that information to the Illinois Department of Public Health.

(e) Alternative health care models shall, to the extent possible, link and integrate their services with nearby health care facilities.

(f) Each alternative health care model shall implement a quality assurance program with measurable benefits and at reasonable cost.

(Source: P.A. 95-331, eff. 8-21-07; 95-445, eff. 1-1-08.)

(210 ILCS 3/36.5)

Sec. 36.5. Alternative health care models authorized. Notwithstanding any other law to the contrary, alternative health care models described in part 1 of Section 35 shall be licensed without additional consideration by the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ if:

(1) an application for such a model was filed with the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ prior to September 1, 1994;

(2) the application was received by the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ and was awarded at least the minimum number of points required for approval by the Board or, if the application was withdrawn prior to Board action, the staff report recommended at least the minimum number of points required for approval by the Board; and

(3) the applicant complies with all regulations of the Illinois Department of Public Health to receive a license pursuant to part 1 of Section 35.
(Source: P.A. 89-393, eff. 8-20-95.)

Section 45. The Assisted Living and Shared Housing Act is amended by changing Section 145 as follows:
(210 ILCS 9/145)
Sec. 145. Conversion of facilities. Entities licensed as facilities under the Nursing Home Care Act may elect to convert to a license under this Act. Any facility that chooses to convert, in whole or in part, shall follow the requirements in the Nursing Home Care Act and rules promulgated under that Act regarding voluntary closure and notice to residents. Any conversion of existing beds licensed under the Nursing Home Care Act to licensure under this Act is exempt from review by the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~.
(Source: P.A. 91-656, eff. 1-1-01.)

Section 50. The Emergency Medical Services (EMS) Systems Act is amended by changing Section 32.5 as follows:
(210 ILCS 50/32.5)
Sec. 32.5. Freestanding Emergency Center.
(a) Until June 30, 2009, the Department shall issue an annual Freestanding Emergency Center (FEC) license to any facility that:
(1) is located: (A) in a municipality with a population of 75,000 or fewer inhabitants; (B) within 20 miles of the hospital that owns or controls the FEC; and (C) within 20 miles of the Resource Hospital affiliated with the FEC as part of the EMS System;
(2) is wholly owned or controlled by an Associate or Resource Hospital, but is not a part of the hospital's physical plant;
(3) meets the standards for licensed FECs, adopted by rule of the Department, including, but not limited to:
(A) facility design, specification, operation, and maintenance standards;
(B) equipment standards; and
(C) the number and qualifications of emergency medical personnel and other staff, which must include at least one board certified emergency physician present at the FEC 24 hours per day.
(4) limits its participation in the EMS System strictly to receiving a limited number of BLS runs by emergency medical vehicles according to protocols developed by the Resource Hospital within the FEC's designated EMS System and approved by the Project Medical Director and the Department;
(5) provides comprehensive emergency treatment services, as defined in the rules adopted by the Department pursuant to the Hospital Licensing Act, 24 hours per day, on an outpatient basis;
(6) provides an ambulance and maintains on site ambulance services staffed with paramedics 24 hours per day;
(7) maintains helicopter landing capabilities approved by appropriate State and federal authorities;
(8) complies with all State and federal patient rights provisions, including, but not limited to, the Emergency Medical Treatment Act and the federal Emergency Medical Treatment and Active Labor Act;
(9) maintains a communications system that is fully integrated with its Resource Hospital within the FEC's designated EMS System;
(10) reports to the Department any patient transfers from the FEC to a hospital within 48 hours of the transfer plus any other data determined to be relevant by the Department;
(11) submits to the Department, on a quarterly basis, the FEC's morbidity and mortality rates for patients treated at the FEC and other data determined to be relevant by the Department;
(12) does not describe itself or hold itself out to the general public as a full service hospital or hospital emergency department in its advertising or marketing activities;
(13) complies with any other rules adopted by the Department under this Act that relate to FECs;
(14) passes the Department's site inspection for compliance with the FEC requirements of this Act;

(15) submits a copy of the permit issued by the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~ indicating that the facility has complied with the Illinois Health Facilities Planning Act with respect to the health services to be provided at the facility;

(16) submits an application for designation as an FEC in a manner and form prescribed by the Department by rule; and

(17) pays the annual license fee as determined by the Department by rule.

(b) The Department shall:

(1) annually inspect facilities of initial FEC applicants and licensed FECs, and issue annual licenses to or annually relicense FECs that satisfy the Department's licensure requirements as set forth in subsection (a);

(2) suspend, revoke, refuse to issue, or refuse to renew the license of any FEC, after notice and an opportunity for a hearing, when the Department finds that the FEC has failed to comply with the standards and requirements of the Act or rules adopted by the Department under the Act;

(3) issue an Emergency Suspension Order for any FEC when the Director or his or her designee has determined that the continued operation of the FEC poses an immediate and serious danger to the public health, safety, and welfare. An opportunity for a hearing shall be promptly initiated after an Emergency Suspension Order has been issued; and

(4) adopt rules as needed to implement this Section.

(Source: P.A. 95-584, eff. 8-31-07.)

Section 55. The Health Care Worker Self-Referral Act is amended by changing Sections 5, 15, and 30 as follows:

(225 ILCS 47/5)

Sec. 5. Legislative intent. The General Assembly recognizes that patient referrals by health care workers for health services to an entity in which the referring health care worker has an investment interest may present a potential conflict of interest. The General Assembly finds that these referral practices may limit or completely eliminate competitive alternatives in the health care market. In some instances, these referral practices may expand and improve care or may make services available which were previously unavailable. They may also provide lower cost options to patients or increase competition. Generally, referral practices are positive occurrences. However, self-referrals may result in over utilization of health services, increased overall costs of the health care systems, and may affect the quality of health care.

It is the intent of the General Assembly to provide guidance to health care workers regarding acceptable patient referrals, to prohibit patient referrals to entities providing health services in which the referring health care worker has an investment interest, and to protect the citizens of Illinois from unnecessary and costly health care expenditures.

Recognizing the need for flexibility to quickly respond to changes in the delivery of health services, to avoid results beyond the limitations on self referral provided under this Act and to provide minimal disruption to the appropriate delivery of health care, the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ shall be exclusively and solely authorized to implement and interpret this Act through adopted rules.

The General Assembly recognizes that changes in delivery of health care has resulted in various methods by which health care workers practice their professions. It is not the intent of the General Assembly to limit appropriate delivery of care, nor force unnecessary changes in the structures created by workers for the health and convenience of their patients.

(Source: P.A. 87-1207.)

(225 ILCS 47/15)

Sec. 15. Definitions. In this Act:

(a) "Board" means the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~.

(b) "Entity" means any individual, partnership, firm, corporation, or other business that provides health services but does not include an individual who is a health care worker who provides professional services to an individual.

(c) "Group practice" means a group of 2 or more health care workers legally organized as a partnership, professional corporation, not-for-profit corporation, faculty practice plan or a similar association in which:

(1) each health care worker who is a member or employee or an independent contractor of the group provides substantially the full range of services that the health care worker routinely provides, including consultation, diagnosis, or treatment, through the use of office space, facilities,

equipment, or personnel of the group;

(2) the services of the health care workers are provided through the group, and payments received for health services are treated as receipts of the group; and

(3) the overhead expenses and the income from the practice are distributed by methods previously determined by the group.

(d) "Health care worker" means any individual licensed under the laws of this State to provide health services, including but not limited to: dentists licensed under the Illinois Dental Practice Act; dental hygienists licensed under the Illinois Dental Practice Act; nurses and advanced practice nurses licensed under the Nurse Practice Act; occupational therapists licensed under the Illinois Occupational Therapy Practice Act; optometrists licensed under the Illinois Optometric Practice Act of 1987; pharmacists licensed under the Pharmacy Practice Act; physical therapists licensed under the Illinois Physical Therapy Act; physicians licensed under the Medical Practice Act of 1987; physician assistants licensed under the Physician Assistant Practice Act of 1987; podiatrists licensed under the Podiatric Medical Practice Act of 1987; clinical psychologists licensed under the Clinical Psychologist Licensing Act; clinical social workers licensed under the Clinical Social Work and Social Work Practice Act; speech-language pathologists and audiologists licensed under the Illinois Speech-Language Pathology and Audiology Practice Act; or hearing instrument dispensers licensed under the Hearing Instrument Consumer Protection Act, or any of their successor Acts.

(e) "Health services" means health care procedures and services provided by or through a health care worker.

(f) "Immediate family member" means a health care worker's spouse, child, child's spouse, or a parent.

(g) "Investment interest" means an equity or debt security issued by an entity, including, without limitation, shares of stock in a corporation, units or other interests in a partnership, bonds, debentures, notes, or other equity interests or debt instruments except that investment interest for purposes of Section 20 does not include interest in a hospital licensed under the laws of the State of Illinois.

(h) "Investor" means an individual or entity directly or indirectly owning a legal or beneficial ownership or investment interest, (such as through an immediate family member, trust, or another entity related to the investor).

(i) "Office practice" includes the facility or facilities at which a health care worker, on an ongoing basis, provides or supervises the provision of professional health services to individuals.

(j) "Referral" means any referral of a patient for health services, including, without limitation:

(1) The forwarding of a patient by one health care worker to another health care worker or to an entity outside the health care worker's office practice or group practice that provides health services.

(2) The request or establishment by a health care worker of a plan of care outside the health care worker's office practice or group practice that includes the provision of any health services.

(Source: P.A. 95-639, eff. 10-5-07; 95-689, eff. 10-29-07; 95-876, eff. 8-21-08.)

(225 ILCS 47/30)

Sec. 30. Rulemaking. The Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ shall exclusively and solely implement the provisions of this Act pursuant to rules adopted in accordance with the Illinois Administrative Procedure Act concerning, but not limited to:

(a) Standards and procedures for the administration of this Act.

(b) Procedures and criteria for exceptions from the prohibitions set forth in Section 20.

(c) Procedures and criteria for determining practical compliance with the needs and alternative investor criteria in Section 20.

(d) Procedures and criteria for determining when a written request for an opinion set forth in Section 20 is complete.

(e) Procedures and criteria for advising health care workers of the applicability of this Act to practices pursuant to written requests.

(Source: P.A. 87-1207.)

Section 60. The Illinois Public Aid Code is amended by changing Section 5-5.02 as follows:

(305 ILCS 5/5-5.02) (from Ch. 23, par. 5-5.02)

Sec. 5-5.02. Hospital reimbursements.

(a) Reimbursement to Hospitals; July 1, 1992 through September 30, 1992. Notwithstanding any other provisions of this Code or the Illinois Department's Rules promulgated under the Illinois Administrative Procedure Act, reimbursement to hospitals for services provided during the period July 1, 1992 through September 30, 1992, shall be as follows:

(1) For inpatient hospital services rendered, or if applicable, for inpatient hospital

discharges occurring, on or after July 1, 1992 and on or before September 30, 1992, the Illinois Department shall reimburse hospitals for inpatient services under the reimbursement methodologies in effect for each hospital, and at the inpatient payment rate calculated for each hospital, as of June 30, 1992. For purposes of this paragraph, "reimbursement methodologies" means all reimbursement methodologies that pertain to the provision of inpatient hospital services, including, but not limited to, any adjustments for disproportionate share, targeted access, critical care access and uncompensated care, as defined by the Illinois Department on June 30, 1992.

(2) For the purpose of calculating the inpatient payment rate for each hospital eligible to receive quarterly adjustment payments for targeted access and critical care, as defined by the Illinois Department on June 30, 1992, the adjustment payment for the period July 1, 1992 through September 30, 1992, shall be 25% of the annual adjustment payments calculated for each eligible hospital, as of June 30, 1992. The Illinois Department shall determine by rule the adjustment payments for targeted access and critical care beginning October 1, 1992.

(3) For the purpose of calculating the inpatient payment rate for each hospital eligible to receive quarterly adjustment payments for uncompensated care, as defined by the Illinois Department on June 30, 1992, the adjustment payment for the period August 1, 1992 through September 30, 1992, shall be one-sixth of the total uncompensated care adjustment payments calculated for each eligible hospital for the uncompensated care rate year, as defined by the Illinois Department, ending on July 31, 1992. The Illinois Department shall determine by rule the adjustment payments for uncompensated care beginning October 1, 1992.

(b) Inpatient payments. For inpatient services provided on or after October 1, 1993, in addition to rates paid for hospital inpatient services pursuant to the Illinois Health Finance Reform Act, as now or hereafter amended, or the Illinois Department's prospective reimbursement methodology, or any other methodology used by the Illinois Department for inpatient services, the Illinois Department shall make adjustment payments, in an amount calculated pursuant to the methodology described in paragraph (c) of this Section, to hospitals that the Illinois Department determines satisfy any one of the following requirements:

(1) Hospitals that are described in Section 1923 of the federal Social Security Act, as now or hereafter amended; or

(2) Illinois hospitals that have a Medicaid inpatient utilization rate which is at least one-half a standard deviation above the mean Medicaid inpatient utilization rate for all hospitals in Illinois receiving Medicaid payments from the Illinois Department; or

(3) Illinois hospitals that on July 1, 1991 had a Medicaid inpatient utilization rate, as defined in paragraph (h) of this Section, that was at least the mean Medicaid inpatient utilization rate for all hospitals in Illinois receiving Medicaid payments from the Illinois Department and which were located in a planning area with one-third or fewer excess beds as determined by the Health Facilities and Services Review Board ~~Illinois Health Facilities Planning Board~~, and that, as of June 30, 1992, were located in a federally designated Health Manpower Shortage Area; or

(4) Illinois hospitals that:

(A) have a Medicaid inpatient utilization rate that is at least equal to the mean Medicaid inpatient utilization rate for all hospitals in Illinois receiving Medicaid payments from the Department; and

(B) also have a Medicaid obstetrical inpatient utilization rate that is at least one standard deviation above the mean Medicaid obstetrical inpatient utilization rate for all hospitals in Illinois receiving Medicaid payments from the Department for obstetrical services; or

(5) Any children's hospital, which means a hospital devoted exclusively to caring for children. A hospital which includes a facility devoted exclusively to caring for children shall be considered a children's hospital to the degree that the hospital's Medicaid care is provided to children if either (i) the facility devoted exclusively to caring for children is separately licensed as a hospital by a municipality prior to September 30, 1998 or (ii) the hospital has been designated by the State as a Level III perinatal care facility, has a Medicaid Inpatient Utilization rate greater than 55% for the rate year 2003 disproportionate share determination, and has more than 10,000 qualified children days as defined by the Department in rulemaking.

(c) Inpatient adjustment payments. The adjustment payments required by paragraph (b) shall be calculated based upon the hospital's Medicaid inpatient utilization rate as follows:

(1) hospitals with a Medicaid inpatient utilization rate below the mean shall receive a per day adjustment payment equal to $25;

(2) hospitals with a Medicaid inpatient utilization rate that is equal to or greater than the mean Medicaid inpatient utilization rate but less than one standard deviation above the mean

Medicaid inpatient utilization rate shall receive a per day adjustment payment equal to the sum of $25 plus $1 for each one percent that the hospital's Medicaid inpatient utilization rate exceeds the mean Medicaid inpatient utilization rate;

(3) hospitals with a Medicaid inpatient utilization rate that is equal to or greater than one standard deviation above the mean Medicaid inpatient utilization rate but less than 1.5 standard deviations above the mean Medicaid inpatient utilization rate shall receive a per day adjustment payment equal to the sum of $40 plus $7 for each one percent that the hospital's Medicaid inpatient utilization rate exceeds one standard deviation above the mean Medicaid inpatient utilization rate; and

(4) hospitals with a Medicaid inpatient utilization rate that is equal to or greater than 1.5 standard deviations above the mean Medicaid inpatient utilization rate shall receive a per day adjustment payment equal to the sum of $90 plus $2 for each one percent that the hospital's Medicaid inpatient utilization rate exceeds 1.5 standard deviations above the mean Medicaid inpatient utilization rate.

(d) Supplemental adjustment payments. In addition to the adjustment payments described in paragraph (c), hospitals as defined in clauses (1) through (5) of paragraph (b), excluding county hospitals (as defined in subsection (c) of Section 15-1 of this Code) and a hospital organized under the University of Illinois Hospital Act, shall be paid supplemental inpatient adjustment payments of $60 per day. For purposes of Title XIX of the federal Social Security Act, these supplemental adjustment payments shall not be classified as adjustment payments to disproportionate share hospitals.

(e) The inpatient adjustment payments described in paragraphs (c) and (d) shall be increased on October 1, 1993 and annually thereafter by a percentage equal to the lesser of (i) the increase in the DRI hospital cost index for the most recent 12 month period for which data are available, or (ii) the percentage increase in the statewide average hospital payment rate over the previous year's statewide average hospital payment rate. The sum of the inpatient adjustment payments under paragraphs (c) and (d) to a hospital, other than a county hospital (as defined in subsection (c) of Section 15-1 of this Code) or a hospital organized under the University of Illinois Hospital Act, however, shall not exceed $275 per day; that limit shall be increased on October 1, 1993 and annually thereafter by a percentage equal to the lesser of (i) the increase in the DRI hospital cost index for the most recent 12-month period for which data are available or (ii) the percentage increase in the statewide average hospital payment rate over the previous year's statewide average hospital payment rate.

(f) Children's hospital inpatient adjustment payments. For children's hospitals, as defined in clause (5) of paragraph (b), the adjustment payments required pursuant to paragraphs (c) and (d) shall be multiplied by 2.0.

(g) County hospital inpatient adjustment payments. For county hospitals, as defined in subsection (c) of Section 15-1 of this Code, there shall be an adjustment payment as determined by rules issued by the Illinois Department.

(h) For the purposes of this Section the following terms shall be defined as follows:

(1) "Medicaid inpatient utilization rate" means a fraction, the numerator of which is the number of a hospital's inpatient days provided in a given 12-month period to patients who, for such days, were eligible for Medicaid under Title XIX of the federal Social Security Act, and the denominator of which is the total number of the hospital's inpatient days in that same period.

(2) "Mean Medicaid inpatient utilization rate" means the total number of Medicaid inpatient days provided by all Illinois Medicaid-participating hospitals divided by the total number of inpatient days provided by those same hospitals.

(3) "Medicaid obstetrical inpatient utilization rate" means the ratio of Medicaid obstetrical inpatient days to total Medicaid inpatient days for all Illinois hospitals receiving Medicaid payments from the Illinois Department.

(i) Inpatient adjustment payment limit. In order to meet the limits of Public Law 102-234 and Public Law 103-66, the Illinois Department shall by rule adjust disproportionate share adjustment payments.

(j) University of Illinois Hospital inpatient adjustment payments. For hospitals organized under the University of Illinois Hospital Act, there shall be an adjustment payment as determined by rules adopted by the Illinois Department.

(k) The Illinois Department may by rule establish criteria for and develop methodologies for adjustment payments to hospitals participating under this Article.

(Source: P.A. 93-40, eff. 6-27-03.)

Section 65. The Older Adult Services Act is amended by changing Sections 20, 25, and 30 as follows:

(320 ILCS 42/20)

Sec. 20. Priority service areas; service expansion.

(a) The requirements of this Section are subject to the availability of funding.

(b) The Department shall expand older adult services that promote independence and permit older adults to remain in their own homes and communities. Priority shall be given to both the expansion of services and the development of new services in priority service areas.

(c) Inventory of services. The Department shall develop and maintain an inventory and assessment of (i) the types and quantities of public older adult services and, to the extent possible, privately provided older adult services, including the unduplicated count, location, and characteristics of individuals served by each facility, program, or service and (ii) the resources supporting those services.

(d) Priority service areas. The Departments shall assess the current and projected need for older adult services throughout the State, analyze the results of the inventory, and identify priority service areas, which shall serve as the basis for a priority service plan to be filed with the Governor and the General Assembly no later than July 1, 2006, and every 5 years thereafter.

(e) Moneys appropriated by the General Assembly for the purpose of this Section, receipts from donations, grants, fees, or taxes that may accrue from any public or private sources to the Department for the purpose of this Section, and savings attributable to the nursing home conversion program as calculated in subsection (h) shall be deposited into the Department on Aging State Projects Fund. Interest earned by those moneys in the Fund shall be credited to the Fund.

(f) Moneys described in subsection (e) from the Department on Aging State Projects Fund shall be used for older adult services, regardless of where the older adult receives the service, with priority given to both the expansion of services and the development of new services in priority service areas. Fundable services shall include:

(1) Housing, health services, and supportive services:

(A) adult day care;

(B) adult day care for persons with Alzheimer's disease and related disorders;

(C) activities of daily living;

(D) care-related supplies and equipment;

(E) case management;

(F) community reintegration;

(G) companion;

(H) congregate meals;

(I) counseling and education;

(J) elder abuse prevention and intervention;

(K) emergency response and monitoring;

(L) environmental modifications;

(M) family caregiver support;

(N) financial;

(O) home delivered meals;

(P) homemaker;

(Q) home health;

(R) hospice;

(S) laundry;

(T) long-term care ombudsman;

(U) medication reminders;

(V) money management;

(W) nutrition services;

(X) personal care;

(Y) respite care;

(Z) residential care;

(AA) senior benefits outreach;

(BB) senior centers;

(CC) services provided under the Assisted Living and Shared Housing Act, or sheltered care services that meet the requirements of the Assisted Living and Shared Housing Act, or services provided under Section 5-5.01a of the Illinois Public Aid Code (the Supportive Living Facilities Program);

(DD) telemedicine devices to monitor recipients in their own homes as an alternative to hospital care, nursing home care, or home visits;

(EE) training for direct family caregivers;

(FF) transition;

(GG) transportation;

(HH) wellness and fitness programs; and

(II) other programs designed to assist older adults in Illinois to remain independent and receive services in the most integrated residential setting possible for that person.

(2) Older Adult Services Demonstration Grants, pursuant to subsection (g) of this Section.

(g) Older Adult Services Demonstration Grants. The Department shall establish a program of demonstration grants to assist in the restructuring of the delivery system for older adult services and provide funding for innovative service delivery models and system change and integration initiatives. The Department shall prescribe, by rule, the grant application process. At a minimum, every application must include:

(1) The type of grant sought;

(2) A description of the project;

(3) The objective of the project;

(4) The likelihood of the project meeting identified needs;

(5) The plan for financing, administration, and evaluation of the project;

(6) The timetable for implementation;

(7) The roles and capabilities of responsible individuals and organizations;

(8) Documentation of collaboration with other service providers, local community government leaders, and other stakeholders, other providers, and any other stakeholders in the community;

(9) Documentation of community support for the project, including support by other service providers, local community government leaders, and other stakeholders;

(10) The total budget for the project;

(11) The financial condition of the applicant; and

(12) Any other application requirements that may be established by the Department by rule.

Each project may include provisions for a designated staff person who is responsible for the development of the project and recruitment of providers.

Projects may include, but are not limited to: adult family foster care; family adult day care; assisted living in a supervised apartment; personal services in a subsidized housing project; evening and weekend home care coverage; small incentive grants to attract new providers; money following the person; cash and counseling; managed long-term care; and at least one respite care project that establishes a local coordinated network of volunteer and paid respite workers, coordinates assignment of respite workers to caregivers and older adults, ensures the health and safety of the older adult, provides training for caregivers, and ensures that support groups are available in the community.

A demonstration project funded in whole or in part by an Older Adult Services Demonstration Grant is exempt from the requirements of the Illinois Health Facilities Planning Act. To the extent applicable, however, for the purpose of maintaining the statewide inventory authorized by the Illinois Health Facilities Planning Act, the Department shall send to the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ a copy of each grant award made under this subsection (g).

The Department, in collaboration with the Departments of Public Health and Healthcare and Family Services, shall evaluate the effectiveness of the projects receiving grants under this Section.

(h) No later than July 1 of each year, the Department of Public Health shall provide information to the Department of Healthcare and Family Services to enable the Department of Healthcare and Family Services to annually document and verify the savings attributable to the nursing home conversion program for the previous fiscal year to estimate an annual amount of such savings that may be appropriated to the Department on Aging State Projects Fund and notify the General Assembly, the Department on Aging, the Department of Human Services, and the Advisory Committee of the savings no later than October 1 of the same fiscal year.

(Source: P.A. 94-342, eff. 7-26-05; 95-331, eff. 8-21-07.)

(320 ILCS 42/25)

Sec. 25. Older adult services restructuring. No later than January 1, 2005, the Department shall commence the process of restructuring the older adult services delivery system. Priority shall be given to both the expansion of services and the development of new services in priority service areas. Subject to the availability of funding, the restructuring shall include, but not be limited to, the following:

(1) Planning. The Department shall develop a plan to restructure the State's service delivery system for older adults. The plan shall include a schedule for the implementation of the initiatives outlined in this

Act and all other initiatives identified by the participating agencies to fulfill the purposes of this Act. Financing for older adult services shall be based on the principle that "money follows the individual". The plan shall also identify potential impediments to delivery system restructuring and include any known regulatory or statutory barriers.

(2) Comprehensive case management. The Department shall implement a statewide system of holistic comprehensive case management. The system shall include the identification and implementation of a universal, comprehensive assessment tool to be used statewide to determine the level of functional, cognitive, socialization, and financial needs of older adults. This tool shall be supported by an electronic intake, assessment, and care planning system linked to a central location. "Comprehensive case management" includes services and coordination such as (i) comprehensive assessment of the older adult (including the physical, functional, cognitive, psycho-social, and social needs of the individual); (ii) development and implementation of a service plan with the older adult to mobilize the formal and family resources and services identified in the assessment to meet the needs of the older adult, including coordination of the resources and services with any other plans that exist for various formal services, such as hospital discharge plans, and with the information and assistance services; (iii) coordination and monitoring of formal and family service delivery, including coordination and monitoring to ensure that services specified in the plan are being provided; (iv) periodic reassessment and revision of the status of the older adult with the older adult or, if necessary, the older adult's designated representative; and (v) in accordance with the wishes of the older adult, advocacy on behalf of the older adult for needed services or resources.

(3) Coordinated point of entry. The Department shall implement and publicize a statewide coordinated point of entry using a uniform name, identity, logo, and toll-free number.

(4) Public web site. The Department shall develop a public web site that provides links to available services, resources, and reference materials concerning caregiving, diseases, and best practices for use by professionals, older adults, and family caregivers.

(5) Expansion of older adult services. The Department shall expand older adult services that promote independence and permit older adults to remain in their own homes and communities.

(6) Consumer-directed home and community-based services. The Department shall expand the range of service options available to permit older adults to exercise maximum choice and control over their care.

(7) Comprehensive delivery system. The Department shall expand opportunities for older adults to receive services in systems that integrate acute and chronic care.

(8) Enhanced transition and follow-up services. The Department shall implement a program of transition from one residential setting to another and follow-up services, regardless of residential setting, pursuant to rules with respect to (i) resident eligibility, (ii) assessment of the resident's health, cognitive, social, and financial needs, (iii) development of transition plans, and (iv) the level of services that must be available before transitioning a resident from one setting to another.

(9) Family caregiver support. The Department shall develop strategies for public and private financing of services that supplement and support family caregivers.

(10) Quality standards and quality improvement. The Department shall establish a core set of uniform quality standards for all providers that focus on outcomes and take into consideration consumer choice and satisfaction, and the Department shall require each provider to implement a continuous quality improvement process to address consumer issues. The continuous quality improvement process must benchmark performance, be person-centered and data-driven, and focus on consumer satisfaction.

(11) Workforce. The Department shall develop strategies to attract and retain a qualified and stable worker pool, provide living wages and benefits, and create a work environment that is conducive to long-term employment and career development. Resources such as grants, education, and promotion of career opportunities may be used.

(12) Coordination of services. The Department shall identify methods to better coordinate service networks to maximize resources and minimize duplication of services and ease of application.

(13) Barriers to services. The Department shall identify barriers to the provision, availability, and accessibility of services and shall implement a plan to address those barriers. The plan shall: (i) identify barriers, including but not limited to, statutory and regulatory complexity, reimbursement issues, payment issues, and labor force issues; (ii) recommend changes to State or federal laws or administrative rules or regulations; (iii) recommend application for federal waivers to improve efficiency and reduce cost and paperwork; (iv) develop innovative service delivery models; and (v) recommend application for federal or private service grants.

(14) Reimbursement and funding. The Department shall investigate and evaluate costs and payments by defining costs to implement a uniform, audited provider cost reporting system to be considered by all

Departments in establishing payments. To the extent possible, multiple cost reporting mandates shall not be imposed.

(15) Medicaid nursing home cost containment and Medicare utilization. The Department of Healthcare and Family Services (formerly Department of Public Aid), in collaboration with the Department on Aging and the Department of Public Health and in consultation with the Advisory Committee, shall propose a plan to contain Medicaid nursing home costs and maximize Medicare utilization. The plan must not impair the ability of an older adult to choose among available services. The plan shall include, but not be limited to, (i) techniques to maximize the use of the most cost-effective services without sacrificing quality and (ii) methods to identify and serve older adults in need of minimal services to remain independent, but who are likely to develop a need for more extensive services in the absence of those minimal services.

(16) Bed reduction. The Department of Public Health shall implement a nursing home conversion program to reduce the number of Medicaid-certified nursing home beds in areas with excess beds. The Department of Healthcare and Family Services shall investigate changes to the Medicaid nursing facility reimbursement system in order to reduce beds. Such changes may include, but are not limited to, incentive payments that will enable facilities to adjust to the restructuring and expansion of services required by the Older Adult Services Act, including adjustments for the voluntary closure or layaway of nursing home beds certified under Title XIX of the federal Social Security Act. Any savings shall be reallocated to fund home-based or community-based older adult services pursuant to Section 20.

(17) Financing. The Department shall investigate and evaluate financing options for older adult services and shall make recommendations in the report required by Section 15 concerning the feasibility of these financing arrangements. These arrangements shall include, but are not limited to:

(A) private long-term care insurance coverage for older adult services;

(B) enhancement of federal long-term care financing initiatives;

(C) employer benefit programs such as medical savings accounts for long-term care;

(D) individual and family cost-sharing options;

(E) strategies to reduce reliance on government programs;

(F) fraudulent asset divestiture and financial planning prevention; and

(G) methods to supplement and support family and community caregiving.

(18) Older Adult Services Demonstration Grants. The Department shall implement a program of demonstration grants that will assist in the restructuring of the older adult services delivery system, and shall provide funding for innovative service delivery models and system change and integration initiatives pursuant to subsection (g) of Section 20.

(19) Bed need methodology update. For the purposes of determining areas with excess beds, the Departments shall provide information and assistance to the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ to update the Bed Need Methodology for Long-Term Care to update the assumptions used to establish the methodology to make them consistent with modern older adult services.

(20) Affordable housing. The Departments shall utilize the recommendations of Illinois' Annual Comprehensive Housing Plan, as developed by the Affordable Housing Task Force through the Governor's Executive Order 2003-18, in their efforts to address the affordable housing needs of older adults.

The Older Adult Services Advisory Committee shall investigate innovative and promising practices operating as demonstration or pilot projects in Illinois and in other states. The Department on Aging shall provide the Older Adult Services Advisory Committee with a list of all demonstration or pilot projects funded by the Department on Aging, including those specified by rule, law, policy memorandum, or funding arrangement. The Committee shall work with the Department on Aging to evaluate the viability of expanding these programs into other areas of the State.

(Source: P.A. 93-1031, eff. 8-27-04; 94-236, eff. 7-14-05; 94-766, eff. 1-1-07.)

(320 ILCS 42/30)

Sec. 30. Nursing home conversion program.

(a) The Department of Public Health, in collaboration with the Department on Aging and the Department of Healthcare and Family Services, shall establish a nursing home conversion program. Start-up grants, pursuant to subsections (l) and (m) of this Section, shall be made available to nursing homes as appropriations permit as an incentive to reduce certified beds, retrofit, and retool operations to meet new service delivery expectations and demands.

(b) Grant moneys shall be made available for capital and other costs related to: (1) the conversion of all or a part of a nursing home to an assisted living establishment or a special program or unit for persons with Alzheimer's disease or related disorders licensed under the Assisted Living and Shared Housing Act

or a supportive living facility established under Section 5-5.01a of the Illinois Public Aid Code; (2) the conversion of multi-resident bedrooms in the facility into single-occupancy rooms; and (3) the development of any of the services identified in a priority service plan that can be provided by a nursing home within the confines of a nursing home or transportation services. Grantees shall be required to provide a minimum of a 20% match toward the total cost of the project.

(c) Nothing in this Act shall prohibit the co-location of services or the development of multifunctional centers under subsection (f) of Section 20, including a nursing home offering community-based services or a community provider establishing a residential facility.

(d) A certified nursing home with at least 50% of its resident population having their care paid for by the Medicaid program is eligible to apply for a grant under this Section.

(e) Any nursing home receiving a grant under this Section shall reduce the number of certified nursing home beds by a number equal to or greater than the number of beds being converted for one or more of the permitted uses under item (1) or (2) of subsection (b). The nursing home shall retain the Certificate of Need for its nursing and sheltered care beds that were converted for 15 years. If the beds are reinstated by the provider or its successor in interest, the provider shall pay to the fund from which the grant was awarded, on an amortized basis, the amount of the grant. The Department shall establish, by rule, the bed reduction methodology for nursing homes that receive a grant pursuant to item (3) of subsection (b).

(f) Any nursing home receiving a grant under this Section shall agree that, for a minimum of 10 years after the date that the grant is awarded, a minimum of 50% of the nursing home's resident population shall have their care paid for by the Medicaid program. If the nursing home provider or its successor in interest ceases to comply with the requirement set forth in this subsection, the provider shall pay to the fund from which the grant was awarded, on an amortized basis, the amount of the grant.

(g) Before awarding grants, the Department of Public Health shall seek recommendations from the Department on Aging and the Department of Healthcare and Family Services. The Department of Public Health shall attempt to balance the distribution of grants among geographic regions, and among small and large nursing homes. The Department of Public Health shall develop, by rule, the criteria for the award of grants based upon the following factors:

(1) the unique needs of older adults (including those with moderate and low incomes), caregivers, and providers in the geographic area of the State the grantee seeks to serve;

(2) whether the grantee proposes to provide services in a priority service area;

(3) the extent to which the conversion or transition will result in the reduction of certified nursing home beds in an area with excess beds;

(4) the compliance history of the nursing home; and

(5) any other relevant factors identified by the Department, including standards of need.

(h) A conversion funded in whole or in part by a grant under this Section must not:

(1) diminish or reduce the quality of services available to nursing home residents;

(2) force any nursing home resident to involuntarily accept home-based or community-based services instead of nursing home services;

(3) diminish or reduce the supply and distribution of nursing home services in any community below the level of need, as defined by the Department by rule; or

(4) cause undue hardship on any person who requires nursing home care.

(i) The Department shall prescribe, by rule, the grant application process. At a minimum, every application must include:

(1) the type of grant sought;

(2) a description of the project;

(3) the objective of the project;

(4) the likelihood of the project meeting identified needs;

(5) the plan for financing, administration, and evaluation of the project;

(6) the timetable for implementation;

(7) the roles and capabilities of responsible individuals and organizations;

(8) documentation of collaboration with other service providers, local community government leaders, and other stakeholders, other providers, and any other stakeholders in the community;

(9) documentation of community support for the project, including support by other service providers, local community government leaders, and other stakeholders;

(10) the total budget for the project;

(11) the financial condition of the applicant; and

(12) any other application requirements that may be established by the Department by

rule.

(j) A conversion project funded in whole or in part by a grant under this Section is exempt from the requirements of the Illinois Health Facilities Planning Act. The Department of Public Health, however, shall send to the Health Facilities and Services Review Board ~~Health Facilities Planning Board~~ a copy of each grant award made under this Section.

(k) Applications for grants are public information, except that nursing home financial condition and any proprietary data shall be classified as nonpublic data.

(l) The Department of Public Health may award grants from the Long Term Care Civil Money Penalties Fund established under Section 1919(h)(2)(A)(ii) of the Social Security Act and 42 CFR 488.422(g) if the award meets federal requirements.

(Source: P.A. 95-331, eff. 8-21-07.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Garrett, **Senate Bill No. 1905**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS 3.

The following voted in the affirmative:

Althoff	Frerichs	Lightford	Risinger
Bivins	Garrett	Link	Rutherford
Bomke	Haine	Luechtefeld	Sandoval
Bond	Harmon	Maloney	Schoenberg
Brady	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Trotter
Crotty	Hutchinson	Munoz	Viverito
Dahl	Jacobs	Murphy	Wilhelmi
DeLeo	Jones, E.	Noland	Mr. President
Delgado	Jones, J.	Pankau	
Demuzio	Koehler	Radogno	
Duffy	Kotowski	Raoul	
Forby	Lauzen	Righter	

The following voted in the negative:

Burzynski
Dillard
Syverson

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Clayborne, **Senate Bill No. 1909**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 51; NAYS 4; Present 1.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Risinger
Bivins	Frerichs	Link	Rutherford
Bomke	Haine	Luechtefeld	Sandoval
Bond	Hendon	Maloney	Schoenberg
Clayborne	Holmes	Martinez	Silverstein
Collins	Hultgren	McCarter	Steans
Cronin	Hunter	Meeks	Sullivan
Crotty	Hutchinson	Millner	Syverson
Dahl	Jacobs	Munoz	Trotter
DeLeo	Jones, E.	Noland	Viverito
Delgado	Jones, J.	Pankau	Wilhelmi
Demuzio	Koehler	Raoul	Mr. President
Dillard	Kotowski	Righter	

The following voted in the negative:

Burzynski	Garrett
Duffy	Murphy

The following voted present:

Harmon

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Jacobs, **Senate Bill No. 1912**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAY 1; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Risinger
Bivins	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Maloney	Schoenberg
Burzynski	Haine	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President

Demuzio	Koehler	Raoul
Dillard	Kotowski	Righter

The following voted in the negative:

Jones, J.

The following voted present:

Harmon

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Delgado, **Senate Bill No. 1917**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Delgado, **Senate Bill No. 1918**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger

Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Garrett, **Senate Bill No. 1919**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Garrett, **Senate Bill No. 1920**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Raoul
Bivins	Frerichs	Lauzen	Righter
Bomke	Garrett	Lightford	Risinger
Bond	Haine	Link	Rutherford
Clayborne	Harmon	Maloney	Sandoval
Collins	Hendon	Martinez	Schoenberg
Cronin	Holmes	McCarter	Silverstein
Crotty	Hultgren	Meeks	Steans
Dahl	Hunter	Millner	Sullivan
DeLeo	Hutchinson	Munoz	Trotter
Delgado	Jacobs	Murphy	Viverito
Demuzio	Jones, E.	Noland	Wilhelmi
Dillard	Jones, J.	Pankau	Mr. President
Duffy	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Martinez, **Senate Bill No. 1925** was recalled from the order of third reading to the order of second reading.

Senator Martinez offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1925

AMENDMENT NO. 1. Amend Senate Bill 1925 by replacing everything after the enacting clause with the following:

"Section 5. The Regulatory Sunset Act is amended by changing Section 4.20 and adding Section 4.30 as follows:

(5 ILCS 80/4.20)

Sec. 4.20. Acts repealed on January 1, 2010 and December 31, 2010.

(a) The following Acts are repealed on January 1, 2010:

The Auction License Act.

The Illinois Architecture Practice Act of 1989.

~~The Illinois Landscape Architecture Act of 1989.~~

The Illinois Professional Land Surveyor Act of 1989.

The Land Sales Registration Act of 1999.

The Orthotics, Prosthetics, and Pedorthics Practice Act.

The Perfusionist Practice Act.

The Professional Engineering Practice Act of 1989.

The Real Estate License Act of 2000.

The Structural Engineering Practice Act of 1989.

(b) The following Act is repealed on December 31, 2010:

The Medical Practice Act of 1987.

(Source: P.A. 95-1018, eff. 12-18-08.)

(5 ILCS 80/4.30 new)

Sec. 4.30. Act repealed on January 1, 2020. The following Act is repealed on January 1, 2020:

The Illinois Landscape Architecture Act of 1989.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Silverstein, **Senate Bill No. 1927**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Silverstein, **Senate Bill No. 1930**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi

Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Wilhelmi, **Senate Bill No. 1933** was recalled from the order of third reading to the order of second reading.

Senator Wilhelmi offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1933

AMENDMENT NO. 1. Amend Senate Bill 1933, by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Homeowners' Association Bill of Rights Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Wilhelmi, **Senate Bill No. 1933**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Risinger
Bivins	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Maloney	Schoenberg
Brady	Haine	Martinez	Silverstein
Burzynski	Harmon	McCarter	Steans
Clayborne	Hendon	Meeks	Sullivan
Collins	Holmes	Millner	Syverson
Cronin	Hultgren	Munoz	Trotter
Crotty	Hunter	Murphy	Viverito
Dahl	Hutchinson	Noland	Wilhelmi
DeLeo	Jacobs	Pankau	Mr. President
Delgado	Jones, E.	Radogno	
Demuzio	Koehler	Raoul	
Dillard	Kotowski	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Wilhelmi, **Senate Bill No. 1936**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Hendon	Martinez	Silverstein
Burzynski	Holmes	McCarter	Steans
Clayborne	Hultgren	Meeks	Sullivan
Collins	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	
Duffy	Lauzen	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Link, **Senate Bill No. 1937**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 49; NAYS 7; Present 1.

The following voted in the affirmative:

Althoff	Frerichs	Link	Sandoval
Bivins	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Clayborne	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hunter	Murphy	Trotter
DeLeo	Hutchinson	Noland	Viverito
Delgado	Jacobs	Pankau	Wilhelmi
Demuzio	Jones, E.	Radogno	Mr. President
Dillard	Koehler	Raoul	
Duffy	Kotowski	Risinger	
Forby	Lightford	Rutherford	

The following voted in the negative:

Bomke	Dahl	Lauzen	Righter
Burzynski	Hultgren	McCarter	

The following voted present:

Meeks

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

At the hour of 4:13 o'clock p.m., Senator DeLeo, presiding.

On motion of Senator Link, **Senate Bill No. 1938**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Risinger
Bivins	Frerichs	Lightford	Rutherford
Bomke	Garrett	Link	Sandoval
Bond	Haine	Luechtefeld	Schoenberg
Brady	Harmon	Maloney	Silverstein
Burzynski	Hendon	Martinez	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hultgren	Millner	Trotter
Crotty	Hunter	Munoz	Viverito
Dahl	Hutchinson	Noland	Wilhelmi
DeLeo	Jacobs	Pankau	Mr. President
Delgado	Jones, E.	Radogno	
Demuzio	Koehler	Raoul	
Dillard	Kotowski	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Raoul, **Senate Bill No. 1942**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg

Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Raoul, **Senate Bill No. 1944**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Noland, **Senate Bill No. 1948**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Rutherford

Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Hutchinson, **Senate Bill No. 1955**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Demuzio, **Senate Bill No. 1957**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Sullivan, **Senate Bill No. 1959**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Sullivan, **Senate Bill No. 1960**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Duffy, **Senate Bill No. 1970**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hultgren	Meeks	Trotter
Crotty	Hunter	Munoz	Viverito
Dahl	Hutchinson	Murphy	Wilhelmi
DeLeo	Jacobs	Noland	Mr. President
Delgado	Jones, E.	Pankau	
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

The following voted present:

Schoenberg

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Dillard, **Senate Bill No. 1971**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILLS RECALLED

On motion of Senator Harmon, **Senate Bill No. 1973** was recalled from the order of third reading to the order of second reading.

Senator Pankau offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1973

AMENDMENT NO. 1. Amend Senate Bill 1973 on page 1, line 23, after the period, by inserting "Funds payable by the City under this Section shall be used for school purposes within the school district or community college district receiving the payment.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Harmon, **Senate Bill No. 1974** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1974

AMENDMENT NO. 1. Amend Senate Bill 1974 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by adding Section 1-109.3 as follows:
(40 ILCS 5/1-109.3 new)

Sec. 1-109.3. Training requirement for pension trustees.

(a) All elected and appointed trustees under Article 3 and 4 of this Code must participate in a mandatory trustee certification training seminar that consists of at least 32 hours of initial trustee certification at a training facility that is accredited and affiliated with a State of Illinois certified college or university. This training must include without limitation all of the following:

(1) Duties and liabilities of a fiduciary under Article 1 of the Illinois Pension Code.

(2) Adjudication of pension claims.

(3) Basic accounting and actuarial training.

(4) Trustee ethics.

(5) The Illinois Open Meetings Act.

(6) The Illinois Freedom of Information Act.

The training required under this subsection (a) must be completed within the first year that a trustee is elected or appointed under an Article 3 or 4 pension fund. The elected and appointed trustees of an Article 3 or 4 pension fund who are police officers (as defined in Section 3-106 of this Code)or firefighters (as defined in Section 4-106 of this Code) or are employed by the municipality shall be permitted time away from their duties to attend such training without reduction of accrued leave or benefit time. Active or appointed trustees serving on the effective date of this amendatory Act of the 96th General Assembly shall not be required to attend the training required under this subsection (a).

(b) In addition to the initial trustee certification training required under subsection (a), all elected and appointed trustees under Article 3 and 4 of this Code, including trustees serving on the effective date of this amendatory Act of the 96th General Assembly, shall also participate in a minimum of 16 hours of continuing trustee education each year after the first year that the trustee is elected or appointed.

(c) The training required under this Section shall be paid for by the pension fund.

(d) Any board member who does not timely complete the training required under this Section is not eligible to serve on the board of trustees of an Article 3 or 4 pension fund, unless the board member completes the missed training within 6 months after the date the member failed to complete the required training. In the event of a board member's failure to complete the required training, a successor shall be appointed or elected, as applicable, for the unexpired term. A successor who is elected under such circumstances must be elected at a special election called by the board and conducted in the same manner as a regular election under Article 3 or 4, as applicable.

Section 90. The State Mandates Act is amended by adding Section 8.33 as follows:

(30 ILCS 805/8.33 new)

Sec. 8.33. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 96th General Assembly.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1974**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford

Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Harmon, **Senate Bill No. 1975**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Lightford, **Senate Bill No. 1984**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 55; NAY 1; Present 1.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Rutherford
Brady	Harmon	Maloney	Sandoval
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Crotty	Hultgren	Meeks	Sullivan
Dahl	Hunter	Millner	Syverson
DeLeo	Hutchinson	Munoz	Trotter
Delgado	Jacobs	Murphy	Viverito
Demuzio	Jones, E.	Noland	Wilhelmi
Dillard	Jones, J.	Pankau	Mr. President
Duffy	Koehler	Radogno	

The following voted in the negative:

Lauzen

The following voted present:

Schoenberg

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Wilhelmi , **Senate Bill No. 1995**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAY 1; Present 1.

The following voted in the affirmative:

Althoff	Dillard	Koehler	Righter
Bivins	Duffy	Kotowski	Risinger
Bomke	Forby	Lightford	Rutherford
Bond	Frerichs	Link	Sandoval
Brady	Garrett	Maloney	Schoenberg
Burzynski	Haine	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Trotter
Crotty	Hunter	Munoz	Viverito
Dahl	Hutchinson	Murphy	Wilhelmi
DeLeo	Jacobs	Pankau	Mr. President
Delgado	Jones, E.	Radogno	
Demuzio	Jones, J.	Raoul	

The following voted in the negative:

Lauzen

The following voted present:

Harmon

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Pankau, **Senate Bill No. 2002**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Righter, **Senate Bill No. 2009** was recalled from the order of third reading to the order of second reading.

Senator Righter offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO SENATE BILL 2009

AMENDMENT NO. _3__. Amend Senate Bill 2009, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Public University Energy Conservation Act is amended by changing Section 5-10 as follows:

(110 ILCS 62/5-10)

Sec. 5-10. Energy conservation measure.

(a) "Energy conservation measure" means any improvement, repair, alteration, or betterment of any building or facility, subject to all applicable building codes, owned or operated by a public university or any equipment, fixture, or furnishing to be added to or used in any such building or facility that is designed to reduce energy consumption or operating costs, and may include, without limitation, one or more of the following:

(1) Insulation of the building structure or systems within the building.

(2) Storm windows or doors, caulking or weatherstripping, multiglazed windows or doors, heat absorbing or heat reflective glazed and coated window or door systems, additional glazing, reductions in glass area, or other window and door system modifications that reduce energy consumption.

(3) Automated or computerized energy control systems.

(4) Heating, ventilating, or air conditioning system modifications or replacements.

(5) Replacement or modification of lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a facility, unless an increase in illumination is necessary to conform to the applicable State or local building code for the lighting system after the proposed modifications are made.

(6) Energy recovery systems.

(7) Energy conservation measures that provide long-term operating cost reductions.

(b) Until January 1, 2015, "energy conservation measure" includes a renewable energy center pilot project at Eastern Illinois University, provided that:

(1) the University signs a partnership contract with the energy conservation measure provider as provided in the Public University Energy Conservation Act;

(2) the University has joint responsibility for the contractor's actions with regard to applicable laws;

(3) the University obtains a performance bond to guarantee the energy savings in accordance with the Public University Energy Conservation Act;

(4) the University and the partnership entity follow all aspects of the Prevailing Wage Act as provided by the Public University Energy Conservation Act;

(5) the University and the contractor use an approved subcontractor list from the Capital Development Board (CDB), unless the University needs work done that is not typically done by the subcontractors on CDB's list;

(6) the University shall allow a representative from CDB to monitor the project provided that such CDB involvement is at no cost to the University; and

(7) the University requires the contractor to follow the provisions of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act and the Public Works Employment Discrimination Act as provided in the Public University Energy Conservation Act.

The provisions of this subsection (b), other than this sentence, are inoperative after January 1, 2015.
(Source: P.A. 94-1062, eff. 7-31-06.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Althoff, **Senate Bill No. 2011**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 48; NAYS 8; Present 1.

The following voted in the affirmative:

Althoff	Garrett	Luechtefeld	Sandoval
Bivins	Haine	Maloney	Schoenberg
Bond	Harmon	Martinez	Silverstein
Brady	Hendon	McCarter	Steans
Clayborne	Holmes	Meeks	Sullivan
Collins	Hultgren	Munoz	Trotter
Cronin	Hunter	Murphy	Viverito
Crotty	Hutchinson	Noland	Wilhelmi
DeLeo	Jacobs	Pankau	Mr. President
Demuzio	Jones, E.	Radogno	

Dillard	Kotowski	Raoul
Duffy	Lauzen	Risinger
Forby	Link	Rutherford

The following voted in the negative:

Bomke	Frerichs	Millner
Burzynski	Koehler	Syverson
Dahl	Lightford	

The following voted present:

Delgado

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Lauzen asked and obtained unanimous consent for the Journal to reflect his affirmative vote on **Senate Bill No. 2011**.

SENATE BILL RECALLED

On motion of Senator Frerichs, **Senate Bill No. 2022** was recalled from the order of third reading to the order of second reading.

Senator Frerichs offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2022

AMENDMENT NO. 1. Amend Senate Bill 2022 on page 4, in line 12, by replacing "with" with "wish"; and

on page 7, by striking through all of line 7; and

on page 7, by striking through all of line 10; and

on page 8, by striking through all of line 11; and

on page 8, by striking through all of line 14; and

on page 10 by striking through all of line 22; and

on page 12, by replacing line 25 with the following:
"~~(Check One)~~"; and

by replacing line 20 on page 15 through line 1 on page 17 with the following:

"If the ballot is to go to an elector who is physically incapacitated and needs assistance marking the ballot, the envelope shall bear upon the back thereof a certification in substantially the following form:

I state that I am a resident of the .... precinct of the (1) *township of .... (2) *City of .... or (3) *.... ward in the city of .... residing at .... in such city or town in the county of .... and State of Illinois, that I have lived at such address for .... months last past; that I am lawfully entitled to vote in such precinct at the .... election to be held on ....; that I am ~~shall be~~ physically incapable of personally marking the ballot for ~~being present at the polls of such precinct on the date of holding~~ such election.

*fill in either (1), (2) or (3).

I further state that I ~~personally~~ marked the enclosed ballot in secret~~. If I received assistance in casting my ballot, I further attest that, due to physical incapacity, I marked the enclosed ballot in secret~~ with the assistance of

.....
(Individual rendering assistance)

.....
(Residence Address)

Under penalties of perjury as provided by law pursuant to Section 29-10 of The Election Code, the undersigned certifies that the statements set forth in this certification are true and correct.

.....

In the case of a voter with a ~~who is voting absentee by reason of~~ physical incapacity, marking a ballot in secret includes marking a ballot with the assistance of another individual, other than a candidate whose name appears on the ballot (unless the voter is the spouse or a parent, child, brother, or sister of the candidate), the voter's employer, an agent of that employer , or an officer or agent of the voter's union, when the voter's physical incapacity necessitates such assistance."; and

on page 18, by striking through all of line 19".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Frerichs, **Senate Bill No. 2022**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Trotter, **Senate Bill No. 1351**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 14; NAYS 42; Present 1.

The following voted in the affirmative:

Collins	Kotowski	Raoul	Trotter
Garrett	Lightford	Schoenberg	Mr. President
Hunter	Maloney	Silverstein	
Jones, E.	Meeks	Steans	

The following voted in the negative:

Althoff	Delgado	Jones, J.	Pankau
Bivins	Demuzio	Koehler	Radogno
Bomke	Dillard	Lauzen	Righter
Bond	Duffy	Link	Risinger
Brady	Forby	Luechtefeld	Rutherford
Burzynski	Frerichs	Martinez	Sandoval
Clayborne	Haine	McCarter	Sullivan
Cronin	Holmes	Millner	Syverson
Crotty	Hultgren	Munoz	Wilhelmi
Dahl	Hutchinson	Murphy	
DeLeo	Jacobs	Noland	

The following voted present:

Viverito

This bill, having failed to receive the vote of a constitutional majority of the members elected, was declared lost, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

SENATE BILL RECALLED

On motion of Senator Schoenberg, **Senate Bill No. 2024** was recalled from the order of third reading to the order of second reading.

Senator Schoenberg offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2024

AMENDMENT NO. 1 . Amend Senate Bill 2024 on page 5, line 11, after "$500", by inserting "as provided for by subsection (f) of Section 11-501.01 of the Illinois Vehicle Code"; and

on page 5, line 22, after "charged", by inserting "as provided for by subsection (f) of Section 11-605 of the Illinois Vehicle Code"; and

on page 5, line 24, by replacing "11-605" with "11-605."; and

on page 5, by replacing lines 25 and 26, with the following:

"(e-3.5) When a fine for a violation of subsection (a) of Section 11-1002.5 of the Illinois Vehicle Code is $150 or greater, the additional $50 which is charged as provided for by subsection (c) of Section 11-1002.5 of the Illinois Vehicle Code shall be disbursed by the circuit clerk to a school district or districts for school safety purposes as provided by subsection (c) of Section 11-1002.5 of the Illinois Vehicle Code."; and

on page 13, line 21, after "$500", by inserting "as provided for by subsection (f) of Section 11-501.01 of the Illinois Vehicle Code"; and

on page 14, line 6, after "$125", by inserting "as provided for by subsection (e) of Section 11-605.1 of the Illinois Vehicle Code"; and

on page 14, line 13, after "charged", by inserting "as provided for by subsection (f) of Section 11-605 of the Illinois Vehicle Code"; and

on page 14, line 15, by replacing "11-605" with "11-605."; and

on page 14, by replacing lines 16 and 17 with the following:
"(h-4.5) When a fine for a violation of subsection (a) of Section 11-1002.5 of the Illinois Vehicle Code is $150 or greater, the additional $50 which is charged as provided for by subsection (c) of Section 11-1002.5 of the Illinois Vehicle Code shall be disbursed by the circuit clerk to a school district or districts for school safety purposes as provided by subsection (c) of Section 11-1002.5 of the Illinois Vehicle Code.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Garrett, **Senate Bill No. 2034**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Bivins	Frerichs	Lauzen	Risinger
Bomke	Garrett	Lightford	Rutherford
Bond	Haine	Link	Sandoval
Burzynski	Harmon	Luechtefeld	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Crotty	Hultgren	Meeks	Sullivan
Dahl	Hunter	Millner	Syverson
DeLeo	Hutchinson	Munoz	Trotter
Delgado	Jacobs	Murphy	Viverito
Demuzio	Jones, E.	Noland	Wilhelmi
Dillard	Jones, J.	Radogno	Mr. President
Duffy	Koehler	Raoul	
Forby	Kotowski	Righter	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein

Senator Althoff asked and obtained unanimous consent for the Journal to reflect her affirmative vote on **Senate Bill No. 2034 .**

On motion of Senator Steans, **Senate Bill No. 2043**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Jacobs, **Senate Bill No. 2045**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAY 1; Present 1.

The following voted in the affirmative:

Bivins	Duffy	Kotowski	Rutherford
Bomke	Forby	Lauzen	Sandoval
Bond	Frerichs	Lightford	Schoenberg
Brady	Garrett	Link	Silverstein
Burzynski	Haine	Luechtefeld	Steans
Clayborne	Harmon	Maloney	Sullivan
Collins	Hendon	Martinez	Syverson
Cronin	Holmes	McCarter	Trotter
Crotty	Hultgren	Munoz	Viverito
Dahl	Hunter	Murphy	Wilhelmi
DeLeo	Jacobs	Noland	Mr. President
Delgado	Jones, E.	Radogno	
Demuzio	Jones, J.	Raoul	
Dillard	Koehler	Risinger	

The following voted in the negative:

Althoff

The following voted present:

Hutchinson

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Kotowski, **Senate Bill No. 2046**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Schoenberg
Bond	Garrett	Luechtefeld	Silverstein
Brady	Haine	Maloney	Steans
Burzynski	Harmon	Martinez	Sullivan
Clayborne	Holmes	McCarter	Syverson
Collins	Hultgren	Meeks	Trotter
Cronin	Hunter	Millner	Viverito
Crotty	Hutchinson	Munoz	Wilhelmi
Dahl	Jacobs	Murphy	Mr. President
DeLeo	Jones, E.	Noland	
Delgado	Jones, J.	Pankau	
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

The following voted present:

Sandoval

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Crotty, **Senate Bill No. 2051**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Risinger
Bivins	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Harmon	Martinez	Steans
Clayborne	Hendon	McCarter	Sullivan
Collins	Holmes	Millner	Trotter
Cronin	Hultgren	Munoz	Viverito
Crotty	Hunter	Murphy	Wilhelmi
Dahl	Hutchinson	Noland	Mr. President
DeLeo	Jacobs	Pankau	
Delgado	Jones, J.	Radogno	
Demuzio	Koehler	Raoul	

Dillard	Kotowski	Righter

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Kotowski, **Senate Bill No. 2052**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 48; NAYS 7; Present 2.

The following voted in the affirmative:

Althoff	Dillard	Lauzen	Rutherford
Bivins	Duffy	Link	Schoenberg
Bomke	Forby	Luechtefeld	Silverstein
Bond	Frerichs	Maloney	Sullivan
Brady	Garrett	McCarter	Syverson
Burzynski	Haine	Meeks	Trotter
Clayborne	Harmon	Murphy	Viverito
Collins	Holmes	Noland	Wilhelmi
Cronin	Hultgren	Pankau	Mr. President
Crotty	Hutchinson	Radogno	
Dahl	Jacobs	Raoul	
DeLeo	Jones, E.	Righter	
Demuzio	Kotowski	Risinger	

The following voted in the negative:

Delgado	Lightford	Munoz	Steans
Hunter	Martinez	Sandoval	

The following voted present:

Hendon
Koehler

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Hutchinson, **Senate Bill No. 2069**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford

Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

At the hour of 6:10 o'clock p.m., Senator Schoenberg, presiding.

SENATE BILL RECALLED

On motion of Senator Haine, **Senate Bill No. 2091** was recalled from the order of third reading to the order of second reading.

Senator Haine offered the following amendment:

AMENDMENT NO. 1 TO SENATE BILL 2091

AMENDMENT NO. __1__. Amend Senate Bill 2091 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Viatical Settlements Act of 2009.

Section 5. Definitions.

"Accredited investor" means an accredited investor as defined in Rule 501(a) promulgated under the Securities Act of 1933 (15 U.S.C. 77 et seq.), as amended.

"Advertising" means any written, electronic, or printed communication or any communication by means of recorded telephone messages or transmitted on radio, television, the Internet, or similar communications media, including film strips, digital picture slides, motion pictures, and videos published, disseminated, circulated, or placed before the public in this State, for the purpose of creating an interest in or inducing a person to sell, assign, devise, bequest, or transfer the death benefit or ownership of a policy pursuant to a viatical settlement contract.

"Alien licensee" means a licensee incorporated or organized under the laws of any country other than the United States.

"Business of viatical settlements" means any activity involved in, but not limited to, the offering, soliciting, negotiating, procuring, effectuating, purchasing, investing, financing, monitoring, tracking, underwriting, selling, transferring, assigning, pledging, or hypothecating or in any other manner acquiring an interest in a life insurance policy by means of a viatical settlement contract or other agreement.

"Chronically ill" means having been certified within the preceding 12-month period by a licensed health professional as:

(1) being unable to perform, without substantial assistance from another individual and for at least 90 days due to a loss of functional capacity, at least 2 activities of daily living, including, but not limited to, eating, toileting, transferring, bathing, dressing, or continence;

(2) requiring substantial supervision to protect the individual from threats to health and safety due to severe cognitive impairment; or

(3) having a level of disability similar to that described in paragraph (1) as determined by the Secretary of Health and Human Services.

"Controlling person" means any person, firm, association, or corporation that directly or indirectly has the power to direct or cause to be directed the management, control, or activities of the viatical settlement provider.

"Director" means the Director of the Division of Insurance of the Department of Financial and Professional Regulation.

"Division" means the Division of Insurance of the Department of Financial and Professional Regulation.

"Escrow agent" means an independent third-party person who, pursuant to a written agreement signed by the viatical settlement provider and viator, provides escrow services related to the acquisition of a life insurance policy pursuant to a viatical settlement contract. "Escrow agent" does not include any person associated or affiliated with or under the control of a licensee.

"Financial institution" means a financial institution as defined by the Financial Institutions Insurance Sales Law in Article XLIV of the Illinois Insurance Code.

"Financing entity" means an underwriter, placement agent, lender, purchaser of securities, purchaser of a policy or certificate from a viatical settlement provider, credit enhancer, or an entity that has a direct ownership in a policy that is the subject of a viatical settlement contract, and to which both of the following apply:

(1) its principal activity related to the transaction is providing funds to effect the viatical settlement or purchase of one or more viaticated policies; and

(2) it has an agreement in writing with one or more licensed viatical settlement providers to finance the acquisition of viatical settlement contracts.

"Financing entity" does not include an investor that is not an accredited investor.

"Financing transaction" means a transaction in which a viatical settlement provider obtains financing from a financing entity, including, without limitation, any secured or unsecured financing, securitization transaction, or securities offering that either is registered or exempt from registration under federal and State securities law.

"Foreign licensee" means any viatical settlement provider incorporated or organized under the laws of any state of the United States other than this State.

"Insurance producer" means an insurance producer as defined by Section 10 of Article XXXI of the Illinois Insurance Code.

"Licensee" means a viatical settlement provider or viatical settlement broker.

"Life expectancy provider" means a person who determines or holds himself or herself out as determining life expectancies or mortality ratings used to determine life expectancies on behalf of or in connection with any of the following:

(1) A viatical settlement provider, viatical settlement broker, or person engaged in the business of viatical settlements.

(2) A viatical investment as defined by Section 2.33 of the Illinois Securities Law of 1953 or a viatical settlement contract.

"NAIC" means the National Association of Insurance Commissioners.

"Person" means an individual or a legal entity, including, without limitation, a partnership, limited liability company, limited liability partnership, association, trust, business trust, or corporation.

"Policy" means an individual or group policy, group certificate, contract, or arrangement of insurance of the class defined by subsection (a) of Section 4 of the Illinois Insurance Code owned by or for the benefit of a resident of this State, regardless of whether delivered or issued for delivery in this State.

"Qualified institutional buyer" means a qualified institutional buyer as defined in Rule 144 promulgated under the Securities Act of 1933, as amended.

"Related provider trust" means a titling trust or other trust established by a licensed viatical settlement provider or a financing entity for the sole purpose of holding the ownership or beneficial interest in purchased policies in connection with a financing transaction. The trust shall have a written agreement with the licensed viatical settlement provider under which the licensed viatical settlement provider is responsible for ensuring compliance with all statutory and regulatory requirements and under which the trust agrees to make all records and files related to viatical settlement transactions available to the Director as if those records and files were maintained directly by the licensed viatical settlement provider.

"Special purpose entity" means a corporation, partnership, trust, limited liability company, or other similar entity formed only to provide, directly or indirectly, access to institutional capital markets (i) for a financing entity or licensed viatical settlement provider; or (ii) in connection with a transaction in which the securities in the special purposes entity are acquired by the viator or by qualified institutional buyers or the securities pay a fixed rate of return commensurate with established asset-backed institutional capital markets.

"Stranger-originated life insurance" or "STOLI" means an act, practice, or arrangement to initiate a life insurance policy for the benefit of a third-party investor who, at the time of policy origination, has no insurable interest in the insured. STOLI practices include, but are not limited to, cases in which life insurance is purchased with resources or guarantees from or through a person or entity who, at the time of policy inception, could not lawfully initiate the policy himself or itself and where, at the time of policy inception, there is an arrangement or agreement, whether verbal or written, to directly or indirectly transfer the ownership of the policy of policy benefits to a third party. Trusts created to give the appearance of an insurable interest and used to initiate policies for investors violate insurance interest laws and the prohibition against wagering on life. STOLI arrangements do not include lawful viatical settlement contracts as permitted by this Act.

"Terminally ill" means certified by a physician as having an illness or physical condition that reasonably is expected to result in death in 24 months or less.

"Viatical settlement broker" means a licensed insurance producer who has been issued a license pursuant to Section 500-35(a)(1) or 500-35(a)(2) of the Insurance Code who, working exclusively on behalf of a viator and for a fee, commission, or other valuable consideration, offers or attempts to negotiate viatical settlement contracts between a viator and one or more viatical settlement providers or one or more viatical settlement brokers. "Viatical settlement broker" does not include an attorney, certified public accountant, or a financial planner accredited by a nationally recognized accreditation agency, who is retained to represent the viator and whose compensation is not paid directly or indirectly by the viatical settlement provider or purchaser.

"Viatical settlement contract" means any of the following:

(1) A written agreement between a viator and a viatical settlement provider or any affiliate of the viatical settlement provider establishing the terms under which compensation or anything of value is or will be paid, which compensation or value is less than the expected death benefits of the policy, in return for the viator's present or future assignment, transfer, sale, devise, or bequest of the death benefit or ownership of any portion of the insurance policy.

(2) A written agreement for a loan or other lending transaction, secured primarily by an individual life insurance policy or an individual certificate of a group life insurance policy.

(3) The transfer for compensation or value of ownership of a beneficial interest in a trust or other entity that owns such policy, if the trust or other entity was formed or availed of for the principal purpose of acquiring one or more life insurance contracts and the life insurance contract insures the life of a person residing in this State.

(4) A premium finance loan made for a life insurance policy by a lender to a viator on, before, or after the date of issuance of the policy in either of the following situations:

(A) The viator or the insured receives a guarantee of the viatical settlement value of the policy.

(B) The viator or the insured agrees to sell the policy or any portion of the policy's death benefit on any date before or after issuance of the policy.

"Viatical settlement contract" does not include any of the following unless part of a plan, scheme, device, or artifice to avoid application of this Act:

(a) A policy loan or accelerated death benefit made by the insurer pursuant to the policy's terms;

(b) Loan proceeds that are used solely to pay: (i) premiums for the policy and (ii) the costs of the loan, including, without limitation interest, arrangement fees, utilization fees and similar fees, closing costs, legal fees and expenses, trustee fees and expenses, and third party collateral provider fees and expenses, including fees payable to letter of credit issuers;

(c) A loan made by a bank or other financial institution in which the lender takes an interest in a life insurance policy solely to secure repayment of a loan or, if there is a default on the loan and the policy is transferred, the transfer of such a policy by the lender, provided that neither the default itself nor the transfer of the policy in connection with the default is pursuant to an agreement or understanding with any other person for the purpose of evading regulation under this Act;

(d) A loan made by a lender that does not violate Article XXXIIa of the Illinois Insurance Code, provided that the premium finance loan is not described in this Act;

(e) An agreement in which all the parties (i) are closely related to the insured by blood or law or (ii) have a lawful substantial economic interest in the continued life, health, and bodily safety of the person insured, or trusts established primarily for the benefit of such parties;

(f) Any designation, consent, or agreement by an insured who is an employee of an employer in connection with the purchase by the employer, or trust established by the employer, of life insurance on the life of the employee;

(g) A bona fide business succession planning arrangement: (i) between one or more shareholders in a corporation or between a corporation and one or more of its shareholders or one or

more trust established by its shareholders; (ii) between one or more partners in a partnership or between a partnership and one or more of its partners or one or more trust established by its partners; or (iii) between one or more members in a limited liability company or between a limited liability company and one or more of its members or one or more trust established by its members;

(h) An agreement entered into by a service recipient, or a trust established by the service recipient, and a service provider, or a trust established by the service provider, who performs significant services for the service recipient's trade or business; or

(i) Any other contract, transaction, or arrangement exempted from the definition of viatical settlement contract by the Director based on the Director's determination that the contract, transaction, or arrangement is not of the type intended to be regulated by this Act.

"Viatical settlement investment agent" means a person who is an appointed or contracted agent of a licensed viatical settlement provider who solicits or arranges the funding for the purchase of a viatical settlement by a viatical settlement purchaser and who is acting on behalf of a viatical settlement provider. A viatical settlement investment agent is deemed to represent the viatical settlement provider of whom the viatical settlement investment agent is an appointed or contracted agent.

"Viatical settlement provider" means a person, other than a viator, who enters into or effectuates a viatical settlement contract with a viator. "Viatical settlement provider" does not include:

(1) a bank, savings bank, savings and loan association, credit union, or other financial institution that takes an assignment of a policy as collateral for a loan;

(2) a financial institution or premium finance company making premium finance loans and exempted by the Director from the licensing requirement under the premium finance laws where the institution or company takes an assignment of a life insurance policy solely as collateral for a premium finance loan;

(3) the issuer of the life insurance policy;

(4) an authorized or eligible insurer that provides stop loss coverage or financial guaranty insurance to a viatical settlement provider, purchaser, financing entity, special purpose entity, or related provider trust;

(5) An individual person who enters into or effectuates no more than one viatical settlement contract in a calendar year for the transfer of policies for any value less than the expected death benefit;

(6) a financing entity;

(7) a special purpose entity;

(8) a related provider trust;

(9) a viatical settlement purchaser; or

(10) any other person that the Director determines is consistent with the definition of viatical settlement provider.

"Viatical settlement purchaser" means a person who provides a sum of money as consideration for a life insurance policy or an interest in the death benefits of a life insurance policy, or a person who owns or acquires or is entitled to a beneficial interest in a trust that owns a viatical settlement contract or is the beneficiary of a life insurance policy, in each case where such policy has been or will be the subject of a viatical settlement contract, for the purpose of deriving an economic benefit. "Viatical settlement

purchaser" does not include: (i) a licensee under this Act; (ii) an accredited investor or qualified institutional buyer; (iii) a financing entity; (iv) a special purpose entity; or (v) a related provider trust.

"Viaticated policy" means a life insurance policy that has been acquired by a viatical settlement provider pursuant to a viatical settlement contract.

"Viator" means the owner of a life insurance policy or a certificate holder under a group policy who enters or seeks to enter into a viatical settlement contract. For the purposes of this Act, a viator is not limited to an owner of a life insurance policy or a certificate holder under a group policy insuring the life of an individual with a terminal or chronic illness or condition, except where specifically addressed. "Viator" does not include:

(1) a licensee;
(2) a qualified institutional buyer;
(3) a financing entity;
(4) a special purpose entity; or
(5) a related provider trust.

Section 10. License and bond requirements.

(a) A person shall not operate as a viatical settlement provider or viatical settlement broker without first obtaining a license from the chief insurance regulatory official of the state of residence of the viator. A viatical settlement provider transacting business in this State shall provide written notice to the Director that it is engaged in such business not less than 30 days prior to the effective date of this Act. Viatical settlement providers shall apply for licensing annually thereafter in a form and manner as prescribed by this Act.

(b) A person shall not operate as a viatical settlement broker without first obtaining an insurance producer license from the Director and completing the viatical settlement broker training requirements as provided by Section 11 of this Act.

(c) An insurance producer shall not operate as a viatical settlement broker unless the producer has been duly licensed as a resident insurance producer with a life line of authority in this state or the insurance producer's home state for at least one year.

(d) Before operating as a viatical settlement broker, the insurance producer, including a business entity licensed in this State as an insurance producer, shall notify the Director that the insurance producer is acting as a viatical settlement broker on a form prescribed by the Director, and shall pay a $500 registration fee which shall be deposited into the Insurance Producer Administration Fund. Notification shall include an acknowledgement by the insurance producer that he or she will operate as a viatical settlement broker in accordance with this Act.

If a business entity with an insurance producer license registers as a viatical settlement broker, then that registration authorizes all partners, officers, members, and designated employees to act as viatical settlement brokers. All persons acting as viatical settlement brokers pursuant to such a registration shall be named in the application and any supplements to the application.

(e) A duly licensed resident insurance producer with a life product line or authority in this State or the insurance producer's home state for at least one year, lawfully transacting business as a viatical settlement broker prior to the effective date of this Act may continue to do so, pending receipt by the Director of the notice required by subsection (d) of this Section, provided that the notice is received by the Director no later than 30 days after the effective date of this Act.

(f) A person licensed as an attorney, certified public accountant, or financial planner accredited by a nationally recognized accreditation agency, who is retained to represent the viator, whose compensation is not paid directly or indirectly by the viatical settlement provider, may negotiate viatical settlement contracts on behalf of the viator without having to obtain a license as a viatical settlement broker.

(g) A person shall not operate as a viatical settlement provider without first obtaining a license from the Director.

(h) Application for a viatical settlement provider license shall be made to the Director by the applicant on a form prescribed by the Director. The applications shall be accompanied by a $3,000 fee, which shall be deposited into the Insurance Producer Administration Fund.

(i) Viatical settlement provider licenses may be renewed from year to year on the anniversary date upon payment of the annual renewal fee of $1,500. Failure to pay the fees by the renewal date results in expiration of the license.

(j) The applicant for a viatical settlement provider license shall provide information on forms required by the Director. The Director shall have authority, at any time, to require the applicant to fully disclose the identity of all stockholders, partners, officers, members, and employees, and the Director may, in the exercise of the Director's discretion, refuse to issue a license in the name of a legal entity if not satisfied

that any officer, employee, stockholder, partner, or member thereof who may materially influence the applicant's conduct meets the standards of this Act.

A viatical settlement provider license issued to a legal entity authorizes all partners, officers, members, and designated employees to act as viatical settlement providers, as applicable, under the license, and all those persons shall be named in the application and any supplements to the application.

(k) Upon the filing of a viatical settlement provider license application and the payment of the license fee, the Director shall make an investigation of each applicant and issue a license if the Director finds that the applicant:

(1) has provided a detailed plan of operation;

(2) is competent and trustworthy and intends to act in good faith in the capacity involved by the license applied for;

(3) has a good business reputation and has had experience, training, or education so as to be qualified in the business for which the license is applied for;

(4) (A) has demonstrated evidence of financial responsibility in a format prescribed by the Director through either a surety bond executed and issued by an insurer authorized to issue surety bonds in this State or a deposit of cash, certificates of deposit or securities or any combination thereof, or irrevocable letter of credit in the amount of $125,000;

(B) the Director may ask for evidence of financial responsibility at any time the Director deems necessary;

(C) any surety bond issued pursuant to this subsection (k) shall be in the favor of this State and shall specifically authorize recovery by the Director on behalf of any person in this State who sustained damages as the result of erroneous acts, failure to act, conviction of fraud or conviction of unfair practices by the viatical settlement provider;

(D) notwithstanding any other provision of this Section to the contrary, the Director shall accept, as evidence of financial responsibility, proof that financial instruments in accordance with the requirements in this subsection (k) have been filed with one or more states where the applicant is licensed as a viatical settlement provider;

(5) if a legal entity, provides a certificate of good standing from the state of its domicile; and

(6) has provided an anti-fraud plan that meets the requirements of Section 65 of this Act.

(l) The Director shall not issue a viatical settlement provider license to a nonresident applicant unless a written designation of an agent for service of process is filed and maintained with the Director or the applicant has filed with the Director the applicant's written irrevocable consent that any action against the applicant may be commenced against the applicant by service of process on the Director.

(m) An applicant for a viatical settlement provider license shall provide all information requested by the Director. The Director may, at any time, require the applicant to fully disclose the identity of all stockholders, partners, officers, members, and employees of the viatical settlement provider, and the Director may refuse to issue a license to an applicant that is not an individual if the Director is not satisfied that each stockholder, partner, officer, member, and employee who may materially influence

the applicant's conduct meets the standards set forth in this Act. The Director may also require the applicant to disclose the method the applicant will use to determine and receive life expectancies, the applicant's intended use of life expectancies, and a written plan containing policies and procedures to use when determining life expectancies.

(n) A viatical settlement provider shall provide to the Director new or revised information about officers, 10% or more stockholders, partners, directors, members, or designated employees within 30 days after the change.

(o) Viatical settlement providers licensed under the Viatical Settlements Act shall be subject to the license requirements of this Act upon renewal and after the effective date of this Act.

Section 11. Viatical settlement broker training requirements.

(a) Viatical settlement broker training shall be required as follows:

(1) An individual may not sell, solicit, or negotiate viatical settlement contracts unless the individual is licensed as a life insurance producer or viatical settlement broker and has completed a one-time training course. The training shall meet the requirements set forth in subsection (b) of this Section.

(2) An individual already licensed and selling, soliciting, or negotiating viatical settlement contracts on the effective date of this Act may not continue to sell, solicit, or negotiate viatical settlement contracts unless the individual has completed a one-time training course, as set forth in subsection (b) of this Section, within one year after the effective date of this Act.

(3) In addition to the one-time training course required under items (1) and (2) of this subsection (a), an individual who sells, solicits, or negotiates viatical settlement contracts shall complete ongoing training as set forth in subsection (b) of this Section.

(4) The training requirements of subsection (b) of this Section may be approved as continuing education courses under Section 500-35(b)(1) of the Illinois Insurance Code.

(b) Minimum education and training shall be required as follows:

(1) The one-time training required by this Section shall be no less than 6 hours and the ongoing training required by this Section shall be no less than 4 hours over a 24-month period.

(2) The training required under item (1) of this subsection (b) shall consist of topics related to viatical settlement contracts, including, but not limited to:

(A) State and federal laws and regulations regarding viatical settlement transactions;

(B) potential tax implications for participants in viatical settlement contracts;

(C) potential impact on public benefits payments to viatical settlement participants;

(D) alternatives to viatical settlement contracts; and

(E) consumer suitability standards and guidelines.

(3) The training required by this Section shall not include training that is specific to or that includes any sales or marketing information, materials, or training of any company, other than those required by State or federal law.

(c) Vital settlement providers shall provide verification of training as follows:

(1) Viatical settlement providers subject to this Act shall obtain verification that a producer receives training required by subsection (a) of this Section before a producer is permitted to sell, solicit, or negotiate viatical settlement contracts. Viatical settlement providers shall maintain records for verification subject to the State's record retention requirements and make the verification available to the Director upon request.

(2) Viatical settlement providers subject to this Act shall maintain records with respect to the training of their producers concerning viatical settlements. These records shall be maintained in accordance with the State's record retention requirements and shall be made available to the Director upon request.

(d) The satisfaction of these training requirements in any state shall be deemed to satisfy the training requirements in this State.

Section 15. License revocation for viatical settlement providers.

(a) The Director may refuse to issue or renew or may suspend or revoke the license of any viatical settlement provider if the Director finds any of the following:

(1) there was any material misrepresentation in the application for the license;

(2) the viatical settlement provider or any officer, partner, member, or controlling person uses fraudulent or dishonest practices or is otherwise shown to be untrustworthy, incompetent, or financially irresponsible in this State or elsewhere;

(3) the viatical settlement provider demonstrates a pattern of unreasonable payments to viators;

(4) the viatical settlement provider or any officer, partner, member, or controlling person has violated any insurance laws or any rule, subpoena, or order of the Director or of another state's chief insurance regulatory official or is subject to a final administrative action brought by the Director or by the Illinois Secretary of State or by another state's chief insurance regulatory official or chief securities regulatory official;

(5) the viatical settlement provider has used a viatical settlement contract that has not been approved pursuant to this Act;

(6) the viatical settlement provider has failed to honor contractual obligations set out in a viatical settlement contract;

(7) the viatical settlement provider no longer meets the requirements for initial licensure;

(8) the viatical settlement provider has assigned, transferred, or pledged a purchased policy to a person other than a viatical settlement provider licensed in this State, a viatical settlement purchaser, a financing entity, a special purpose entity, or a related provider trust; or

(9) the viatical settlement provider or any officer, partner, member, or controlling

person of the viatical settlement provider has violated any of the provisions of this Act.

(b) If the Director denies a viatical settlement provider license application or suspends, revokes, or refuses to renew the license of a viatical settlement provider, the Director shall notify the applicant or viatical settlement provider and advise, in writing, the applicant or viatical settlement provider of the reason for the suspension, revocation, denial, or nonrenewal of the applicant's or licensee's license. The applicant or viatical settlement provider may make a written demand upon the Director within 30 days after the date of mailing for a hearing before the Director to determine the reasonableness of the Director's action. The hearing must be held within not fewer than 20 days nor more than 30 days after the mailing of the notice of hearing and shall be held in accordance with the Illinois Administrative Procedure Act and Section 2402 of Chapter 50 of the Illinois Administrative Code.

Section 17. License revocation and denial for viatical settlement brokers. Insurance producers operating as viatical settlement brokers shall be subject to the license denial, nonrenewal, and revocation provisions established by Section 500-70 of the Illinois Insurance Code.

Section 20. Approval of viatical settlement contracts and disclosure statements. A person shall not use a viatical settlement contract form or provide to a viator a disclosure statement form in this State unless first filed with and approved by the Director. The Director shall disapprove a viatical settlement contract form or disclosure statement form if, in the Director's opinion, the contract or provisions contained therein fail to meet the requirements of this Act or are unreasonable, contrary to the interests of the public, or otherwise misleading or unfair to the viator. At the Director's discretion, the Director may require the submission of advertising material. If the Director disapproves a viatical settlement contract form or disclosure statement form, then the Director shall notify the viatical settlement provider and advise the viatical settlement provider, in writing, of the reason for the disapproval. The viatical settlement provider may make written demand upon the Director within 30 days after the date of mailing for a hearing before the Director to determine the reasonableness of the Director's action. The hearing must be held within not fewer than 20 days nor more than 30 days after the mailing of the notice of hearing and shall be held in accordance with the Illinois Administrative Procedure Act and 50 Ill. Admin. Code 2402.

Section 25. Reporting requirements and privacy.

(a) Each viatical settlement provider shall file with the Director on or before March 1 of each year a copy of its audited annual statement for the immediately preceding year ending December 31. The Director may require newly licensed entities to file annual statements for additional years. The annual statement must be verified by 2 officers of the licensed entity on forms prescribed by the Director. The forms prescribed by the Director shall contain all information required by this Act and shall conform substantially to the Viatical Settlement Provider Reports adopted by the NAIC Viatical Settlements Model Regulation, as amended. The approved annual statement for a viatical settlement provider shall include all of the following information:

(1) A list of each life insurance policy, including policy number, date of issue, unique internal identifier maintained by the viatical settlement provider and available upon examination, insurance company issuing the policy, date the viatical settlement contract is signed by viator, viatical settlement broker receiving compensation, and any premium finance companies, if known.

(2) Addresses and contact information for those persons listed in item (1) of this subsection (a).

(3) A list of all life expectancy providers who have directly or indirectly provided life expectancies to the viatical settlement provider for use in connection with a viatical settlement contract.

(4) Any other information required by the Director.

(b) The audited annual financial statement required by subsection (a) of this Section shall be completed by an independent certified public accountant along with a letter stating whether any significant deficiencies or material weaknesses were detected during the audit pursuant to the Auditing Standard Board's Statement on Auditing Standards Number 112, as amended or superseded.

(c) A viatical settlement provider that willfully fails to file the annual statements required by this Section, or willfully fails to reply within 30 calendar days to a written inquiry from the Director or Director's designee, shall, in addition to other penalties provided by this Act, be subject to a penalty of up to $250 per day, not to exceed $25,000 in the aggregate for each such failure.

(d) The Director shall keep confidential and not a matter of public record all individual transaction data regarding the business of viatical settlements and data that could compromise the privacy of personal, financial, and health information of the viator or the insured. All proprietary information received by the Director from a viatical settlement provider pursuant to this Section must be given confidential treatment, is not subject to subpoena, and may not be made public by the Director or any other persons.

(e) Except as otherwise allowed or required by law, a viatical settlement provider, viatical settlement broker, insurance company, insurance producer, information bureau, rating agency or company, or any other person with actual knowledge of the identity of an insured under a viatical settlement contract shall not disclose the identity of the insured or the insured's financial or medical information to any other person unless the disclosure is:

(1) necessary to effect a viatical settlement contract between the viator and a viatical settlement provider and the viator or insured have provided prior written consent to the disclosure;

(2) provided in response to an investigation or examination by the Director or another governmental officer or agency or pursuant to the requirements of Section 65 of this Act;

(3) a term of or condition to the transfer of a policy by one viatical settlement provider to another viatical settlement provider;

(4) necessary to permit a financing entity, related provider trust, or special purpose entity to finance the purchase of policies by a viatical settlement provider and the viator and insured have provided prior written consent to the disclosure;

(5) necessary to allow the viatical settlement provider or viatical settlement broker or their authorized representatives to make contacts for the purpose of determining health status; or

(6) required to purchase stop loss coverage or financial guaranty insurance.

(f) A viatical settlement investment agent shall not have any contact directly or indirectly with the viator or the insured or have knowledge of the identity of the viator or the insured.

Section 30. Examination or investigation.

(a) The Director may when and as often as the Director deems it reasonably necessary to protect the interests of the public, examine the business affairs of any licensee.

In scheduling and determining the nature, scope, and frequency of the examinations, the Director shall consider such matters as consumer complaints, results of financial statement analyses and ratios, changes in management or ownership, actuarial opinions, report of independent certified public accountants, and other relevant criteria as determined by the Director.

(b) For purposes of completing an examination of a licensee under this Act, the Director may examine or investigate any person, or the business of any person, in so far as the examination or investigation is, in the sole discretion of the Director, necessary or material to the examination.

(c) In lieu of an examination under this Act of any foreign licensee or alien licensee licensed in this State, the Director may, at the Director's discretion, accept an examination report on the licensee as prepared by the chief insurance regulatory official for the licensee's state of domicile or port-of-entry state.

(d) As far as practical, the examination of a foreign licensee or alien licensee shall be made in cooperation with the insurance supervisory officials of other states in which the licensee transacts business.

(e) Licensees shall for 5 years retain copies of:

(1) all proposed, offered, or executed contracts, purchase agreements, underwriting documents, policy forms, and applications from the date of the proposal, offer, or execution of the contract or purchase agreement, whichever is later;

(2) all checks, drafts, or other evidence and documentation related to the payment, transfer, deposit, or release of funds from the date of the transaction;

(3) all other records and documents in any format related to the requirements of this Act, including a record of complaints received against the licensee and agents representing the licensee and a list of all life expectancy providers that have provider services to the licensee.

This subsection (e) does not relieve a person of the obligation to produce records required by this subsection to the Director after the retention period has expired if the person has retained the documents.

Records required to be retained by this subsection (e) must be legible and complete and may be retained in paper, photograph, microprocessor, magnetic, mechanical, or electronic media, or by any process that accurately reproduces or forms a durable medium for the reproduction of a record.

(f) Upon determining that an examination should be conducted, the Director shall appoint one or more examiners to perform the examination and instruct them as to the scope of the examination. The Director may employ any guidelines or procedures for purposes of this subsection (f) that the Director deems appropriate.

Every licensee or person, including all officers, partners, members, directors, employees, controlling persons, and agents of any licensee or person, from whom information is sought shall provide to the examiners timely, convenient, and free access at all reasonable hours at the licensee's or person's offices to all books, records, accounts, papers, documents, assets, and computer or other recordings relating to the property, assets, business, and affairs of the licensee being examined. The officers, directors, employees, and agents of the licensee or person shall facilitate the examination and aid in the examination so far as it is in their power to do so. The refusal of a licensee by its officers, directors, employees, or agents to submit to examination or to comply with any reasonable written request of the Director shall be grounds for revocation, denial of issuance, or non-renewal of any license or authority held by the licensee to engage in the viatical settlement business or other business subject to the Director's jurisdiction.

The Director shall have the power to issue subpoenas, to administer oaths, and to examine under oath any person as to any matter pertinent to the examination. Upon the failure or refusal of a person to obey a subpoena, the Director may petition a court of competent jurisdiction, and upon proper showing, the court may enter an order compelling the witness to appear and testify or produce documentary evidence. Failure to obey the court order shall be punishable as contempt of court.

Subpoenas may be enforced pursuant to Section 403 of the Illinois Insurance Code.

When making an examination under this Act, the Director may retain attorneys, appraisers, independent actuaries, independent certified public accountants, or other professionals and specialists as examiners, the reasonable cost of which shall be borne by the licensee that is the subject of the examination.

(g) Nothing contained in this Act limits the Director's authority to terminate or suspend an examination in order to pursue other legal or regulatory action pursuant to the insurance laws of this State. Findings of fact and conclusions made pursuant to any examination shall be prima facie evidence in any legal or regulatory action.

(h) Nothing contained in this Act shall be construed to limit the Director's authority to use and, if appropriate, to make public any final or preliminary examination report, any examiner or licensee workpapers or other documents, or any other information discovered or developed during the course of any examination in the furtherance of any legal or regulatory action that the Director may, in the Director's discretion, deem appropriate.

(i) No later than 60 days following completion of the examination, the examiner in charge shall file with the Director a verified written report of examination under oath. Upon receipt of the verified report, the Director shall transmit the report to the licensee examined.

(j) Examination reports shall be comprised only of facts appearing upon the books, records, or other documents of the licensee, its agents, or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs and the conclusions and recommendations that the examiners find reasonably warranted from the facts.

(k) The licensee may request a hearing within 10 days after receipt of the examination report by giving the Director written notice of that request, together with a statement of its objections. The Director then must conduct a hearing in conjunction with Sections 402 and 403 of the Illinois Insurance Code. The Director must issue a written order based upon the examination report and upon the hearing within 90 days after the report is filed or within 90 days after the hearing. After the hearing, the Director may make such order or orders as may be reasonably necessary to correct, eliminate, or remedy unlawful conduct.

(l) If the Director determines that regulatory action is appropriate as a result of an examination, the Director may initiate any proceedings or actions provided by law.

(m) Names and individual identification data for all viators in the possession and control of the Director shall be considered private and confidential and shall not be disclosed by the Director unless required by law.

Except as otherwise provided in this Act, all examination reports, working papers, recorded information, documents, and copies thereof produced by, obtained by or disclosed to the Director or any other person in the course of an examination made under this Act or the law of another state or jurisdiction that is substantially similar to this Act, or in the course of analysis or investigation by the Director of the financial condition or market conduct of a licensee are (i) confidential by law and privileged, (ii) not subject to the Freedom of Information Act, (iii) not subject to subpoena, and (iv) not subject to discovery or admissible in evidence in any private civil action.

The Director is authorized to use the documents, materials, or other information in the

furtherance of any regulatory or legal action brought as part of the Director's official duties.

Documents, materials, or other information, including, but not limited to, all working papers and copies thereof, in the possession or control of the NAIC and its affiliates and subsidiaries are:

(1) confidential by law and privileged;
(2) not subject to subpoena; and
(3) not subject to discovery or admissible in evidence in any private civil action if they are:

(A) created, produced or obtained by, or disclosed to the NAIC and its affiliates and subsidiaries in the course of assisting an examination made under this Act or assisting the Director or the chief insurance regulatory official in another state in the analysis or investigation of the financial condition or market conduct of a licensee; or

(B) disclosed under this subsection (m) by the Director or disclosed under a comparable provision in law of another state by that state's chief insurance regulatory official to the NAIC and its affiliates and subsidiaries.

Neither the Director nor any person that received the documents, material, or other information while acting under the authority of the Director, including the NAIC and its affiliates and subsidiaries, shall be permitted to testify in any private civil action concerning any confidential documents, materials, or information subject to this subsection (m).

(n) In order to assist in the performance of the Director's duties, the Director may:
(1) share documents, materials, or other information, including the confidential and privileged documents, materials, or information subject to subsection (m) of this Section, with other state, federal, and international regulatory agencies, with the NAIC and its affiliates and subsidiaries, and with state, federal, and international law enforcement authorities, provided that the recipient agrees to maintain the confidentiality and privileged status of the document, material, communication, or other information;

(2) receive documents, materials, communications, or information, including otherwise confidential and privileged documents, materials, or information, from the NAIC and its affiliates and subsidiaries and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any document, material, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information; and

(3) enter into agreements governing sharing and use of information consistent with this Section.

(o) No waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information shall occur as a result of disclosure to the Director under this Section or as a result of sharing as authorized in subsection (n) of this Section.

(p) A privilege established under the law of any state or jurisdiction that is substantially similar to the privilege established under this Section shall be available and enforced in any

proceeding in, and in any court of, this State.

(q) Nothing contained in this Act prevents or prohibits the Director from disclosing the content of an examination report, preliminary examination report or results, or any matter relating to those reports or results, to the chief insurance regulatory official of any other state or country, or to law enforcement officials of this or any other state or agency of the federal government at any time or to the NAIC, if the agency or office receiving the report or matters relating to it agrees in writing to hold it confidential and in a manner consistent with this Act.

(r) The expenses incurred in conducting an examination shall be paid by the licensee.

(s) No cause of action shall arise nor shall any liability be imposed against the Director, the Director's authorized representatives, or any examiner appointed by the Director for any statements made or conduct performed in good faith while carrying out the provisions of this Act.

No cause of action shall arise, nor shall any liability be imposed against any person for the act of communicating or delivering information or data to the Director or the Director's authorized representative or examiner pursuant to an examination made under this Section, if the act of communication or delivery was performed in good faith and without fraudulent intent or the intent to deceive. This subsection (s) does not abrogate or modify in any way any common law or statutory privilege or immunity heretofore enjoyed by any person identified in this subsection (s).

A person identified in this subsection (s) shall be entitled to an award of attorney's fees and costs if he or she is the prevailing party in a civil cause of action for libel, slander, or any other relevant tort arising out of activities in carrying out the provisions of this Section and the party bringing the action was not substantially justified in doing so. For purposes of this Section, a proceeding is "substantially justified" if it had a reasonable basis in law or fact at the time that it was initiated.

(t) The Director may investigate suspected viatical settlement fraud and persons engaged in the business of viatical settlements.

Section 35. Disclosure to viator.

(a) With each application for a viatical settlement contract, a viatical settlement provider or viatical settlement broker shall provide the viator with at least the following disclosures no later than the time the viatical settlement contract is signed by all parties. The disclosures shall include distribution of a brochure describing the process of viatical settlements. The NAIC form for the brochure shall be used unless another form is developed or approved by the Director. Other disclosures required by this subsection (a) shall be provided in a separate document that is signed by the viator and the viatical settlement provider or viatical settlement broker and shall provide the following information:

(1) If a viator enters into a viatical settlement contract, then the beneficiaries of the life insurance policy lose the life insurance policy's benefits, equity, and protection. In addition, by entering into this viatical settlement contract, the insured may not qualify for another life insurance policy or may be required to pay substantially higher premiums.

(2) That there are possible alternatives to viatical settlement contracts including any accelerated death benefits or policy loans offered under the viator's life insurance policy.

(3) That a viatical settlement broker represents only the viator and not the insurer or the viatical settlement provider and owes a fiduciary duty to the viator, including a duty to act

according to the viator's instructions and in the best interest of the viator.

(4) That some or all of the proceeds of the viatical settlement may be taxable under federal income tax and state franchise and income taxes, and assistance may be sought from a professional tax advisor.

(5) That proceeds of the viatical settlement contract may be subject to the claims of creditors.

(6) That receipt of the proceeds of a viatical settlement may adversely affect the viator's eligibility for Medicaid or other government benefits or entitlements and advice should be obtained from the appropriate government agencies.

(7) That the viator has the right to rescind a viatical settlement contract before the earlier of 30 calendar days after the date upon which the viatical settlement contract is executed by all parties or 15 calendar days after the viatical settlement proceeds have been paid to the viator. Rescission, if exercised by the viator, is effective only if both notice of the rescission is given and the viator repays all proceeds and any premiums, loans, and loan interest paid on the account of the viatical settlement within the rescission period. If the insured dies during the rescission period, the viatical settlement contract is deemed to have been rescinded, subject to repayment by the viator or the viator's estate to the viatical settlement provider of all viatical settlement proceeds and any premiums, loans, and loan interest paid on the account of the viatical settlement within 60 days after the insured's death.

(8) That funds must be sent to the viator within 3 business days after the viatical settlement provider has received the insurer or group administrator's written acknowledgment that ownership of the policy has been transferred and the beneficiary has been designated.

(9) That entering into a viatical settlement contract may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the policy, to be forfeited by the viator. Assistance should be sought from a financial adviser.

(10) That the disclosure document must contain the following language: "A viatical settlement provider or viatical settlement broker may ask the insured for medical, financial, and personal information. All medical, financial, or personal information solicited or obtained by a viatical settlement provider or viatical settlement broker about an insured, including the insured's identity or the identity of the insured's family members, the insured's spouse or the insured's significant other, may be disclosed as necessary to effect the viatical settlement between the viator and the viatical settlement provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every 2 years.

(11) That, following execution of a viatical settlement contract, the insured may be contacted for the purpose of determining the insured's health status and to confirm the insured's residential or business street address and telephone number, or for other purposes permitted by law. This contact is limited to once every 3 months if the insured has a life expectancy of more than one year, and no more than once each month if the insured has a life expectancy of one year or less. All such contracts shall be made only by a viatical settlement provider licensed in the state in which the viator resided at the time of the viatical settlement, or by the authorized representative of a duly licensed viatical settlement provider.

(12) If the policy to be viaticated is group coverage, the insured is advised to check with the manager of the group about whether permission is required to sell the policy or other conditions.

(13) Entering into a viatical settlement contract will result in investors having a financial interest in the insured's death.

(b) With each application for a viatical settlement, a viatical settlement provider or viatical settlement broker shall provide the prospective viator with a document titled "Important Consumer Notices". The document must be provided to the prospective viator and contain, in conspicuous type size and format, the following:

"By entering into a viatical settlement contract:

(1) You are making a complex financial decision that may or may not be in your or your family's financial best interest. Seek independent advice from financial planning experts and responsible government agencies.

(2) You may not be able to purchase another life insurance policy.

(3) You could lose Medicaid and other valuable government benefits.

(4) You will receive proceeds that may be subject federal and state taxes and to the claims of creditors.

(5) You have sold your life insurance policy to strangers who have a financial interest in the life and death of the person whose life is insured by the policy.

(6) You or your residence may be contacted on a regular basis to determine if you have died or if your health status has deteriorated.".

The disclosure document required by this subsection (b) shall be the cover page of the viatical settlement contract and shall be signed by the viator and the viatical settlement provider or viatical settlement broker. The viator and viatical settlement provider or viatical settlement broker shall sign the disclosure prior to signing the viatical settlement contract. A copy of the signed document must be provided to the viator.

(c) A viatical settlement provider shall provide the viator with at least the following disclosures no later than the date the viatical settlement contract is signed by all parties. The disclosures must be displayed conspicuously in the viatical settlement contract or in a separate document signed by the viator and the viatical settlement provider, and provide the following information:

(1) The affiliation, if any, between the viatical settlement provider and the issuer of the policy to be acquired pursuant to a viatical settlement contract.

(2) The name, business address, and telephone number of the viatical settlement provider.

(3) Whether any affiliations or contractual arrangements exist between the viatical settlement provider and the viatical settlement purchaser.

(4) If a policy to be acquired pursuant to a viatical settlement contract has been issued as a joint policy or involves family riders or any coverage of a life other than the insured under

the policy to be acquired pursuant to a viatical settlement contract, the viator must be informed of the possible loss of coverage on the other lives under the policy and must be advised to consult with the viator's insurance producer or the company issuing the policy for advice on the proposed viatical settlement contract.

(5) The dollar amount of the current death benefit payable to the viatical settlement provider under the policy. If known, the viatical settlement provider also shall disclose the availability of additional guaranteed insurance benefits, the dollar amount of accidental death and dismemberment benefits under the policy or certificate, and the extent to which the viator's interest in those benefits will be transferred as a result of the viator's settlement contract.

(6) The name, business address, and telephone number of the escrow agent, and that the viator may inspect or receive copies of the relevant escrow or trust agreements or documents. Also, that an escrow agent shall provide escrow services to the parties pursuant to a written agreement signed by the viatical settlement provider, the viatical settlement broker, and the viator. At the close of escrow, the escrow agent must distribute the proceeds of the sale to the viator, minus any compensation to be paid to any other persons who provided services and to whom the viator has agreed to compensate out of the gross amount offered by the viatical settlement purchaser. All persons receiving any form of compensation under the escrow agreement shall be clearly identified, including name, business address, telephone number, and tax identification number.

(7) The amount of compensation received by the escrow agent.

(c) A viatical settlement broker shall provide the viator with at least the following disclosures no later than the date the viatical settlement contract is signed by all parties. The disclosures shall be conspicuously displayed in the viatical settlement contract or in a separate document signed by the viator and provide the following information:

(1) the name, business address, and telephone number of the viatical settlement broker;

(2) a full, complete, and accurate description of all offers, counteroffers, acceptances, and rejections relating to the proposed viatical settlement contract;

(3) any affiliations or contractual arrangements between the viatical settlement broker and any person making an offer in connection with the proposed viatical settlement contracts;

(4) the amount and method of calculating the broker's compensation, which term "compensation" includes anything of value paid or given to a proposed settlement broker in connection with the proposed viatical settlement contract;

(5) if any portion of the viatical settlement broker's compensation, as defined in paragraph (3) of this subsection (c), is taken from a proposed viatical settlement offer, the broker shall disclose the total amount of the viatical settlement offer and the percentage of the viatical settlement offer comprised by the viatical settlement broker's compensation; and

(6) the name of the legal owner and beneficiary of the insurance policy after the policy is sold pursuant to the viatical settlement contract and whether legal ownership of the policy and the beneficiary's right to collect benefits upon the viator's death can be sold.

(d) If the viatical settlement provider transfers ownership or changes the beneficiary of the insurance policy, then the provider shall communicate in writing the change in ownership or beneficiary to the insured within 20 days after the change.

Section 40. Disclosure to insurer. Prior to the initiation of a plan, transaction, or series of transactions a viatical settlement broker or viatical settlement provider shall fully disclose to an insurer a plan, transaction, or series of transactions to which the viatical settlement broker or viatical settlement provider is a party to originate, renew, continue, or finance a life insurance policy with the insurer for the purpose of engaging in the business of viatical settlements at anytime prior to or during the first 2 years after issuance of the policy. The viatical settlement provider shall, when requested, disclose that the prospective insured has undergone a life expectancy evaluation in connection with the issuance of a policy by a person or entity other than the insurer or its authorized representative. Any disclosure required under this Section must be made in writing.

Section 45. General rules.

(a) A viatical settlement provider entering into a viatical settlement contract shall first obtain:

(1) if the viator is the insured, a written statement from a licensed attending physician that the viator is of sound mind and under no constraint or undue influence to enter into a viatical settlement contract; as used in this item (1), "physician" means a person licensed under the Medical Practice Act of 1987 to practice medicine and surgery or osteopathic medicine and surgery in all its branches; and

(2) a document in which the insured consents in writing to the release of his or her medical records to a licensed viatical settlement provider, viatical settlement broker, and the insurance company that issued the life insurance policy covering the life of the insured.

(b) Within 20 days after a viator executes documents necessary to transfer any rights under an insurance policy or within 20 days after entering any agreement, option, promise, or any other form of understanding, expressed or implied, to viaticate the policy, the viatical settlement provider shall give written notice to the insurer that issued that insurance policy that the policy has or will become a viaticated policy. The notice shall be accompanied by the documents required by subsection (c) of this Section.

(c) The viatical provider shall deliver a copy of the medical release required under paragraph (2) of subsection (a) of this Section, a copy of the viator's application for the viatical settlement contract, the notice required under subsection (b) of this Section and a request for verification of coverage to the insurer that issued the life insurance policy that is the subject of the viatical settlement transaction. The viatical settlement provider shall use the NAIC's form for verification of coverage unless another form is developed and approved by the Director.

(d) Prior to or at the time of execution of the viatical settlement contract, the viatical settlement provider shall obtain a witnessed document in which the viator consents to the viatical settlement contract, represents that the viator has a full and complete understanding of the viatical settlement contract, that he or she has a full and complete understanding of the benefits of the life insurance policy, acknowledges that he or she is entering into the viatical settlement contract freely and voluntarily and, for persons with a terminal or chronic illness or condition, acknowledges that the insured has a terminal or chronic illness and that the terminal or chronic illness or condition was diagnosed after the life insurance policy was issued.

(e) If a viatical settlement broker performs any of the activities required of a viatical settlement provider as described by subsection (a) through (d) of this Section, then the viatical settlement provider is deemed to have fulfilled that requirement.

(f) The insurer shall respond to a request for verification of coverage submitted on an approved form by a viatical settlement provider or viatical settlement broker within 30 calendar days after the date the request is received and shall indicate whether, based on the medical evidence and documents provided, the insurer intends to pursue an investigation at this time regarding the validity of the insurance contract or possible fraud. The insurer shall accept a request for verification of coverage made on an NAIC form or any other form approved by the Director. The insurer shall accept an original or facsimile or electronic copy of such request and any accompanying authorization signed by the viator. Failure by the insurer to meet its obligations under this subsection shall be a violation of subsection (c) of Section 50 and Section 75 of this Act.

(g) All medical information solicited or obtained by any licensee shall be subject to the applicable

provisions of state law relating to confidentiality of medical information.

(h) All viatical settlement contracts entered into in this State shall provide the viator with an absolute right to rescind the contract before the earlier of 30 calendar days after the date upon which the viatical settlement contract is executed by all parties or 15 calendar days after the viatical settlement proceeds have been sent to the viator as provided in Section 45. Rescission by the viator may be conditioned upon the viator both giving notice and repaying to the viatical settlement provider within the rescission period all proceeds of the settlement and any premiums, loans and loan interest paid by or on behalf of the viatical settlement provider in connection with or as a consequence of the viatical settlement. If the insured dies during the rescission period, the viatical settlement contract shall be deemed to have been rescinded, subject to repayment to the viatical settlement provider or purchaser of all viatical settlement proceeds, and any premiums, loans, and loan interest that have been paid by the viatical settlement provider or viatical settlement purchaser, which shall be paid within 60 calendar days of the death of the insured. In the event of any rescission, if the viatical settlement provider has paid commissions or other compensation to a viatical settlement broker in connection with the rescinded transaction, the viatical settlement broker shall refund all such commissions and compensation to the viatical settlement provider within 5 business days following receipt of written demand from the viatical settlement provider, which demand shall be accompanied by either the viator's notice of rescission if rescinded at the election of the viator, or notice of the death of the insured if rescinded by reason of the death of the insured within the applicable rescission period.

(i) If a viatical settlement contract is rescinded by the viator pursuant to this Section, then ownership of the insurance policy reverts to the viator or to the viator's estate.

(j) The viatical settlement provider shall instruct the viator to send the executed documents required to effect the change in ownership, assignment, or change in beneficiary directly to the escrow agent. Within 3 business days after the date the escrow agent receives the document (or from the date the viatical settlement provider receives the documents, if the viator erroneously provides the documents directly to the viatical settlement provider), the viatical settlement provider shall pay or transfer the gross amount paid by the viatical settlement purchaser to the escrow agent for deposit in a trust account and set up for that purpose by the escrow agent in a state or federally-chartered financial institution whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Upon payment of the settlement proceeds into the escrow or trust account, the escrow agent or trustee shall deliver the original change in ownership, assignment, or change in beneficiary forms to the viatical settlement provider, a representative of the viatical settlement provider, or related provider trust. Upon the escrow agent's receipt of the acknowledgment of the properly completed transfer of ownership, assignment, or designation of beneficiary from the insurance company, the escrow agent shall pay the settlement proceeds to the viator. Funds shall be deemed sent by a viatical settlement provider to a viator as of the date that the escrow agent either releases the funds for wire transfer to the viator or places a check for delivery to the viator via United States Postal Service or other nationally recognized delivery service.

(k) Failure to transfer the proceeds to the viator for the viatical settlement contract within the time set forth in the disclosure pursuant to item (7) of subsection (a) of Section 35 of this Act renders the viatical settlement contract voidable by the viator for lack of consideration until the time consideration is tendered to and accepted by the viator. If a viatical settlement contract is voided by the viator pursuant to this subsection (k), then ownership of the policy reverts to the viator or to the viator's estate.

(l) After the viatical settlement contract has been effected, contacts with the insured for the purpose of determining the health status of the insured shall be made only by the viatical settlement provider or the authorized representative of the viatical settlement provider. The viatical settlement provider or authorized representative shall not contact the insured with the purpose of determining the insured's health status more than once every 3 months if the insured has a life expectancy of more than one year or more than once per month if the insured has a life expectancy of one year or less. The viatical settlement provider shall explain the procedure for making these contacts at the time the viatical settlement contract is entered into. For purposes of this Section, viatical settlement providers are responsible for the actions of their authorized representatives.

(m) The insurer that issued the policy being settled pursuant to a viatical settlement contract shall not be responsible for any act or omission of a viatical settlement broker or viatical settlement provider arising out of or in connection with the viatical settlement transaction, unless the insurer receives compensation for the placement of a viatical settlement contract from the viatical settlement provider or viatical settlement broker in connection with the viatical settlement contract.

(n) If there is more than one viator on a single policy and the viators are residents of different states, then the transaction shall be governed by the law of the state in which the viator having the largest percentage ownership resides or, if the viators hold equal ownership, the state of residence of one viator

agreed upon in writing by all the viators.

Subject to the provisions of this subsection (n), if the viator is a resident of this State, then all agreements to be signed by the viator shall provide exclusive jurisdiction to courts of this State and the laws of this State shall govern the agreements. Nothing in the agreements shall abrogate the viator's right to a trial by jury.

(o) Notwithstanding the manner in which the viatical settlement broker is compensated, a viatical settlement broker is deemed to represent only the viator and not the insurer or the viatical settlement provider and owes a fiduciary duty to the viator to act according to the viator's instructions and in the best interest of the viator.

Section 50. Prohibited practices.

(a) It is a violation of this Act for any person to enter into a viatical settlement contract prior to the application of or issuance of a policy that is the subject of the viatical settlement contract. It is a violation of this Act for any person to enter into stranger-originated life insurance or STOLI as defined by this Act.

(b) It is a violation of this Act for any person to issue, solicit, market, or otherwise promote the purchase of a life insurance policy for the purpose of or with emphasis on selling the policy.

(c) It is a violation of this Act for any person to enter into a viatical settlement contract within a 2-year period commencing with the date of issuance of the insurance policy unless the viator certifies to the viatical settlement provider that one or more of the following conditions have been met within the 2-year period:

(1) The policy was issued upon the viator's exercise of conversion rights arising out of a group or individual policy, provided the total of the time covered under the conversion policy plus the time covered under the prior policy is at least 60 months. The time covered under a group policy shall be calculated without regard to any change in insurance carriers, provided the coverage has been continuous and under the same group sponsorship.

(2) The viator certifies and submits independent evidence to the viatical settlement provider that one or more of the following conditions have been met within the 5-year period:

(A) the viator or insured is terminally or chronically ill;

(B) the viator's spouse dies;

(C) the viator divorces his or her spouse;

(D) the viator retires from full-time employment;

(E) the viator becomes physically or mentally disabled and a physician determines that the disability prevents the viator from maintaining full-time employment;

(F) a court of competent jurisdiction enters a final order, judgment, or decree on the application of a creditor of the viator, adjudicating the viator bankrupt or insolvent, or approving a petition seeking reorganization of the viator or appointing a receiver, trustee, or liquidator to all or a substantial part of the viator's assets;

(G) the sole beneficiary of the policy is a family member of the viator and the beneficiary dies; or

(H) any other condition that the Director may determine by regulation to be an extraordinary circumstance for the viator or the insured.

(3) The viator enters into a viatical settlement contract more than 2 years after the date of issuance of a policy and, with respect to the policy, at all times prior to the date that is 2 years after policy issuance, the following conditions are met:

(A) policy premiums have been funded exclusively with unencumbered assets, including an interest in the life insurance policy being financed only to the extent of its net cash surrender value, provided by, or fully recourse liability incurred by the insured or person described in subsection (e) of the definition of "viatical settlement contract" found in Section 5 of this Act; and

(B) there is no agreement or understanding with any other person to guarantee any such liability or to purchase or stand ready to purchase the policy, including, through an assumption or forgiveness of the loan.

(d) Copies of the independent evidence described in paragraph (2) of subsection (c) of this Section and documents required by Section 45 shall be submitted to the insurer when the viatical settlement provider or any other party entering into a viatical settlement contract with a viator submits a request to the insurer for verification of coverage. The copies shall be accompanied by a letter of attestation from the viatical settlement provider that the copies are true and correct copies of the documents received by the viatical settlement provider.

(e) If the viatical settlement provider submits to the insurer a copy of the owner or insured's certification described in and the independent evidence required by paragraph (2) of subsection (c) of this Section when the viatical settlement provider submits a request to the insurer to effect the transfer of the policy to the viatical settlement provider, then the copy shall be deemed to conclusively establish that the viatical settlement contract satisfies the requirements of this Section, and the insurer shall timely respond to the request.

(f) No insurer may, as a condition of responding to a request for verification of coverage or effecting the transfer of a policy pursuant to a viatical settlement contract, require that the viator, insured, viatical settlement provider, or viatical settlement broker sign any forms, disclosures, consent, or waiver form that has not been expressly approved by the Director for use in connection with viatical settlement contracts in this State.

(g) Upon receipt of a properly completed request for change of ownership or beneficiary of a policy, the insurer shall respond in writing within 30 calendar days to confirm that the change has been effected or specifying the reasons why the requested change cannot be processed. No insurer shall unreasonably delay effecting change of ownership or beneficiary or seek to interfere with any viatical settlement contract lawfully entered into in this State.

Section 55. Prohibited practices and conflicts of interest.

(a) With respect to any viatical settlement contract or insurance policy, no viatical settlement broker knowingly shall solicit an offer from, effectuate a viatical settlement with, or make a sale to any viatical settlement provider, viatical settlement purchaser, financing entity, or related provider that is controlling, controlled by, or under common control with such viatical settlement broker, unless such relationship is fully disclosed to the viator.

(b) With respect to any viatical settlement contract or insurance policy, no viatical settlement provider knowingly may enter into a viatical settlement contract with a viator, if, in connection with such viatical settlement contract, anything of value will be paid to a viatical settlement broker that is controlling, controlled by, or under common control with such viatical settlement provider or the viatical settlement purchaser, financing entity, or related provider trust that is involved in such viatical settlement contract, unless such relationship is fully disclosed to the viator.

(c) Any disclosure provided pursuant to subsections (a) and (b) of this Section must be provided along with the disclosures required by subsection (a) of Section 35 and contain the following language: "The financial relationship between your viatical settlement broker and the provider of the viatical settlement creates a potential conflict of interest between your financial interests and the financial interests of the

viatical settlement broker and viatical settlement provider. The individual brokering this viatical transaction owes you a fiduciary duty or a duty of loyalty. Your viatical settlement broker must advise you based exclusively upon your best interests, not the best interests of the viatical settlement broker or the viatical settlement provider.".

(d) A violation of subsection (a), subsection (b), or subsection (c) shall be deemed viatical settlement fraud.

(e) No person shall issue, solicit, or market the purchase of an insurance policy for the purpose of settling the policy. Nothing in this subsection (e) shall prohibit persons from using and discussing the written materials that the Director shall approve prior to the effective date of this Act and that inform consumers of their rights with respect to a life insurance policy, including the option of entering into a lawful viatical settlement contract. Nothing in this subsection (e) limits or otherwise impairs the terms of a contract between an insurer and its producers.

(f) No person shall enter into a premium finance agreement with any other person or agency or any person affiliated with such person or agency pursuant to which such person shall receive any proceeds, fees, or other consideration, directly or indirectly, from the policy or owner of the policy or any other person with respect to the premium finance agreement or any viatical settlement contract or other transaction related to such policy that are in addition to the amounts required to pay the principal, interest, and service charges related to policy premiums pursuant to the premium finance agreement or subsequent sale of such agreement; provided, further, that any payments, charges, fees, or other amounts in addition to the amounts required to pay the principal, interest, and service charges related to policy premiums paid under the premium finance agreement shall be remitted to the original owner of the policy or to his or her estate if he or she is not living at the time of the determination of overpayment.

(g) A viatical settlement provider shall return all copies of a viatical settlement promotional, advertising, and marketing materials and shall make these material available to the Director on request. In no event shall any marketing materials expressly reference that the insurance is "free" for any period of time. The inclusion of any reference in the marketing materials that would cause a viator to reasonably believe that the insurance is free for any period of time shall be considered a violation of this Act.

(h) No insurance producer, insurance company, viatical settlement broker, or viatical settlement provider shall make any statement or representation to a potential or actual insured or potential or actual viator in connection with the sale or financing of a life insurance policy to the effect that the insurance is free or without cost to the policyholder for any period of time unless provided in the policy.

Section 60. Advertising for viatical settlements.

(a) The purpose of this Section is to provide prospective viators with clear and unambiguous statements in the advertisement of viatical settlements and to assure the clear, truthful, and adequate disclosure of the benefits, risks, limitations, and exclusions of any viatical settlement contract. All product descriptions must be presented in a manner that prevents unfair, deceptive, or misleading advertising and conducive to accurate presentation and description of viatical settlements through the advertising media and material used by licensees.

(b) This Section applies to any advertising of viatical settlement contracts or related products or services circulated or placed directly before the public, including Internet advertising. Where disclosure requirements are established pursuant to federal regulation, this Section shall be interpreted so as to minimize or eliminate conflict with federal regulation wherever possible.

(c) Every licensee shall establish and at all times maintain a system of control over the content, form, and method of dissemination of all advertisements of its contracts, products, and services. All advertisements, regardless of by whom written, created, designed, or presented, shall be the responsibility of the licensees, as well as the individual who created or presented the advertisement. A system of control shall include regular routine notification, at least once a year, to agents and others authorized by the licensee who disseminate advertisements of the requirements and procedures for approval prior to the use of any advertisements not furnished by the licensee.

(d) Advertisements shall be truthful and not misleading in fact or by implication. The form and content of an advertisement of a viatical settlement contract product or service shall be sufficiently complete and clear so as to avoid deception. It shall not have the capacity or tendency to mislead or deceive. Whether an advertisement has the capacity or tendency to mislead or deceive shall be determined by the Director from the overall impression that the advertisement may be reasonably expected to create upon a person of average education or intelligence within the segment of the public to which it is directed.

(e) The information required to be disclosed under this Section shall not be minimized,

rendered obscure, or presented in an ambiguous fashion or intermingled with the text of the advertisement so as to be confusing or misleading.

An advertisement shall not omit material information or use words, phrases, statements, references, or illustrations if the omission or use has the capacity, tendency, or effect of misleading or deceiving viators as to the nature or extent of any benefit, loss covered, premium payable, or state or federal tax consequence. The fact that the viatical settlement contract offered is made available for inspection prior to consummation of the sale, or an offer is made to refund the payment if the viator is not satisfied or that the viatical settlement contract includes a "free look" period that satisfies or exceeds legal requirements, does not remedy misleading statements.

An advertisement shall not use the name or title of an insurance company or an insurance policy unless the advertisement has been approved by the insurer.

An advertisement shall not state or imply that interest charged on an accelerated death benefit or a policy loan is unfair, inequitable, or in any manner an incorrect or improper practice.

The words "free", "no cost", "without cost", "no additional cost", "at no extra cost", or words of similar import shall not be used with respect to any life insurance policy or to any benefit or service unless true. An advertisement may specify the charge for a benefit or a service or may state that a charge is included in the payment or use other appropriate language.

Testimonials, appraisals, or analysis used in advertisements must be genuine; represent the current opinion of the author; be applicable to the viatical settlement contract, product, or service advertised, if any; and be accurately reproduced with sufficient completeness to avoid misleading or deceiving prospective viators as to the nature or scope of the testimonials, appraisal, analysis, or endorsement. In using testimonials, appraisals, or analyses, a licensee under this Act makes as its own all the statements contained therein, and the statements are subject to all the provisions of this Section.

If the individual making a testimonial, appraisal, analysis, or endorsement has a financial interest in the subject of the testimonial, appraisal, analysis, or endorsement, either directly or indirectly as a stockholder, director, officer, employee, or otherwise, or receives any benefit directly or indirectly other than required union scale wages, that fact shall be prominently disclosed in the advertisement.

An advertisement shall not state or imply that a viatical settlement contract, benefit, or service has been approved or endorsed by a group of individuals, society, association, or other organization unless that is the fact and unless any relationship between the group of individuals, society, association, or organization and the licensee is disclosed. If the entity making the endorsement or testimonial is owned, controlled, or managed by the licensee, or receives any payment or other consideration from the viatical settlement licensee for making an endorsement or testimonial, that fact shall be prominently disclosed in the advertisement.

When an endorsement refers to benefits received under a viatical settlement contract all pertinent information shall be retained for a period of 5 years after its use.

(f) An advertisement shall not contain statistical information unless the information accurately reflects recent and relevant facts. The source of all statistics used in an advertisement shall be identified.

(g) An advertisement shall not disparage insurers, viatical settlement providers, viatical settlement brokers, insurance producers, policies, services, or methods of marketing.

(h) The name of the licensee shall be clearly identified in all advertisements about the licensee or its viatical settlement contract, products, or services, and if any specific viatical settlement contract is advertised, the viatical settlement contract shall be identified either by form number or some other appropriate description. If an application is part of the advertisement, the name of the viatical settlement provider or providers shall be shown on the application.

(i) An advertisement shall not use a trade name, group designation, name of the parent company of a licensee, name of a particular division of the licensee, service mark, slogan, symbol, or other device or reference without disclosing the name of the licensee, if the advertisement would have the capacity or tendency to mislead or deceive as to the true identity of the licensee, or to create the impression that a company other than the licensee would have any responsibility for the financial obligation under a viatical settlement contract.

(j) An advertisement shall not use any combination of words, symbols, or physical materials that by their content, phraseology, shape, color, or other characteristics are so similar to a combination of words, symbols, or physical materials used by a government program or agency or otherwise appear to be of such a nature that they tend to mislead prospective viators into believing that the solicitation is in some manner connected with a government program or agency.

(k) An advertisement may state that a licensee is licensed in the state where the advertisement appears, provided it does not exaggerate that fact or suggest or imply that competing licensees may not be so licensed. The advertisement may ask the audience to consult the licensee's Internet website or contact the Division to find out if the state requires licensing and, if so, whether the viatical settlement provider, or viatical settlement broker, is licensed.

(l) An advertisement shall not create the impression that the viatical settlement provider, its financial condition or status, the payment of its claims or the merits, desirability, or advisability of its viatical settlement contracts are recommended or endorsed by any government entity.

(m) The name of the actual licensee shall be stated in all of a licensee's advertisements. An advertisement shall not use a trade name, any group designation, name of any affiliate or controlling entity of the licensee, service mark, slogan, symbol, or other device in a manner that would have the capacity or tendency to mislead or deceive as to the true identity of the actual licensee or create the false impression that an affiliate or controlling entity would have any responsibility for the financial obligation of the licensee.

(n) An advertisement shall not directly or indirectly create the impression that any division or agency of the State or of the U. S. government endorses, approves, or favors:

(1) any licensee or its business practices or methods of operation;
(2) any viatical settlement contract; or
(3) any life insurance policy or life insurance company.

(o) If the advertiser emphasizes the speed with which the viatication will occur, the advertising must disclose the average time frame from completed application to the date of offer and from acceptance of the offer to receipt of the funds by the viator.

(p) If the advertising emphasizes the dollar amounts available to viators, the advertising shall disclose, using the same type and font size as the dollar amount available to the viator, the average purchase price as a percent of face value obtained by viators contracting with the licensee during the past 6 months.

Section 65. Fraud prevention and control.

(a) A person shall not commit the offense of viatical settlement fraud.

A person shall not knowingly or intentionally interfere with the enforcement of the provisions of this Act or investigations of suspected or actual violations of this Act.

A person in the business of viatical settlements shall not knowingly or intentionally permit any person convicted of a felony involving dishonesty or breach of trust to participate in the business of viatical settlements.

(b) Viatical settlements contracts and applications for viatical settlements, regardless of the form of transmission, shall contain the following statement: "Any person who knowingly presents false information in an application for insurance or a viatical settlement contract is guilty of a crime and may be subject to fines and confinement in prison.".

The lack of a statement as required in this subsection (b) does not constitute a defense in any prosecution for the offense of viatical settlement fraud.

(c) Any person engaged in the business of viatical settlements having knowledge or a reasonable suspicion that a viatical settlement fraud is being, will be, or has been committed shall provide to the Director such information as required by, and in a manner prescribed by, the Director.

Any other person having knowledge or a reasonable belief that viatical settlement fraud is being, will be, or has been committed may provide to the Director the information required by, and in a manner prescribed by, the Director.

(d) No civil liability shall be imposed on and no cause of action shall arise from a person's furnishing information concerning suspected, anticipated, or completed viatical settlement fraud or suspected or completed fraudulent insurance acts, if the information is provided to or received from:

(1) the Director or the Director's employees, agents, or representatives;

(2) federal, State, or local law enforcement or regulatory officials or their employees, agents, or representatives;

(3) a person involved in the prevention and detection of viatical settlement fraud or that person's agents, employees, or representatives;

(4) the NAIC, the National Association of Securities Dealers (NASD), the North American Securities Administrators Association (NASAA), or their employees, agents, or representatives, or other regulatory body overseeing life insurance, viatical settlements, securities, or investment fraud; or

(5) the life insurer that issued the life insurance policy covering the life of the insured.

(e) The immunity provided by subsection (d) of this Section shall not apply to statements made with actual malice. In an action brought against a person for filing a report or furnishing other information concerning viatical settlement fraud, the party bringing the action shall plead specifically any allegation that subsection (d) does not apply because the person filing the report or furnishing the information did so with actual malice.

(f) A person furnishing information as identified in subsection (d) of this Section shall be entitled to an award of attorney's fees and costs if the person is the prevailing party in a civil cause of action for libel, slander, or any other relevant tort arising out of activities in carrying out the provisions of this Act and the party bringing the action was not substantially justified in doing so. For

purposes of this Section a proceeding is substantially justified if it had a reasonable basis in law or fact at the time that it was initiated. However, such an award does not apply to any person furnishing information concerning the person's own fraudulent viatical settlement acts.

(g) This Section does not abrogate or modify common law or statutory privileges or immunities enjoyed by a person described in subsection (d) of this Section.

Subsection (d) of this Section does not apply to a person furnishing information concerning that person's own suspected, anticipated, or completed viatical settlement fraud or suspected, anticipated, or completed fraudulent insurance acts.

(h) The documents and evidence provided pursuant to subsection (d) of this Section or obtained by the Director in an investigation of suspected or actual viatical settlement fraud shall be privileged and confidential and shall not be a public record and shall not be subject to discovery or subpoena in a civil or criminal action. This subsection (h) does not prohibit release by the Director of documents and evidence obtained in an investigation of suspected or actual viatical settlement fraud: (1) in administrative or judicial proceedings to enforce laws administered by the Director; (2) to federal, State, or local law enforcement or regulatory agencies, to an organization established for the purpose of detecting and preventing viatical settlement fraud or to the NAIC; or (3) at the discretion of the Director, to a person in the business of viatical settlements that is aggrieved by a viatical settlement fraud. Release of documents and evidence under this subsection (h) does not abrogate or modify the privilege granted in this subsection.

(i) This Act shall not do any of the following:

(1) Preempt the authority or relieve the duty of other law enforcement or regulatory agencies to investigate, examine and prosecute suspected violations of law.

(2) Prevent or prohibit a person from disclosing voluntarily information concerning viatical settlement fraud to a law enforcement or regulatory agency other than the Division.

(3) Limit the powers granted elsewhere by the laws of this State to the Director or an insurance fraud unit to investigate and examine possible violations of law and to take appropriate action against wrongdoers.

(i) Viatical settlement providers and viatical settlement brokers shall have in place antifraud initiatives reasonably calculated to detect, prosecute, and prevent viatical settlement fraud. At the discretion of the Director, the Director may order, or a licensee may request and the Director may grant, such modifications of the following required initiatives as necessary to ensure an effective antifraud program. The modifications may be more or less restrictive than the required initiatives so long as the modifications may reasonably be expected to accomplish the purpose of this Section.

Antifraud initiatives shall include the following:

(1) fraud investigators, who may be viatical settlement providers or viatical settlement broker employees or independent contractors; and

(2) an antifraud plan, which shall be submitted to the Director. The antifraud plan shall include, but not be limited to:

(A) a description of the procedures for detecting and investigating possible viatical settlement fraud and procedures for resolving material inconsistencies between medical records and insurance applications;

(B) a description of the procedures for reporting possible viatical settlement fraud to the Director;

(C) a description of the plan for antifraud education and training of underwriters and other personnel;

(D) a description or chart outlining the organizational arrangement of the antifraud personnel who are responsible for the investigation and reporting of possible viatical settlement fraud and investigating unresolved material inconsistencies between medical records and insurance applications; and

(E) a description of the procedures used to perform initial and continuing review of the accuracy of life expectancies used in connection with a viatical settlement contract.

Antifraud plans submitted to the Director shall be privileged and confidential and are not public record and are not subject to discovery or subpoena in a civil or criminal action.

Section 70. Injunctions; civil remedies; cease and desist.

(a) In addition to the penalties and other enforcement provisions of this Act, if any person violates this Act or any rules implementing this Act, the Director may seek an injunction in a court of competent jurisdiction and may apply for temporary and permanent orders that the Director determines are necessary to restrain the person from committing the violation.

(b) Any person damaged by the acts of a person in violation of this Act may bring a civil action against the person committing the violation in a court of competent jurisdiction.

(c) The Director may issue, in accordance with Section 401.1 of the Illinois Insurance Code and the Illinois Administrative Procedure Act, a cease and desist order upon a person that violates any provision of this Act, any regulation or order adopted by the Director, or any written agreement entered into with the Director.

(d) In addition to the penalties and other enforcement provisions of this Act, any person who violates this Act is subject to civil penalties of up to $50,000 per violation. Each separate violation of this Act shall be a separate offense. If a person is subject to an order of the Director for violations of this Act and continually fails to obey or neglects to obey the order, then each day of such failure or neglect shall be deemed a separate offense. Imposition of civil penalties shall be pursuant to an order of the Director. The Director's order may require a person found to be in violation of this Act to make restitution to persons aggrieved by violations of this Act.

Section 72. Crimes and offenses.

(a) A person acting in this State as a viatical settlement provider without having been licensed pursuant to Section 10 of this Act who willfully violates any provision of this Act or any rule adopted or order issued under this Act is guilty of a Class A misdemeanor and may be subject to a fine of not more than $3,000. When such violation results in a loss of more than $10,000, the person shall be guilty of a Class 3 felony and may be subject to a fine of not more than $10,000.

(b) A person acting in this State as a viatical settlement broker without having met the licensure and notification requirements established by Section 10 of this Act who willfully violates any provision of this Act or any rule adopted or order issued under this Act is guilty of a Class A misdemeanor and may be subject to a fine of not more than $3,000. When such violation results in a loss of more than $10,000, the person shall be guilty of a Class 3 felony and may be subject to a fine of not more than $10,000.

(c) The Director may refer such evidence as is available concerning violations of this Act or any rule adopted or order issued under this Act or of the failure of the a person to comply with the licensing requirements of this Act to the Attorney General or the proper county attorney who may, with or without such reference, institute the appropriate criminal proceedings under this Act.

(d) A person commits the offense of viatical settlement fraud when:

(1) For the purpose of depriving another of property or for pecuniary gain any person knowingly:

(A) presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by a viatical settlement provider, viatical settlement broker, life expectancy provider, viatical settlement purchaser, financing entity, insurer, insurance producer, or any other person, false material information, or conceals material information, as part of, in support of or concerning a fact material to one or more of the following:

(i) an application for the issuance of a viatical settlement contract or insurance policy;

(ii) the underwriting of a viatical settlement contract or insurance policy;

(iii) a claim for payment or benefit pursuant to a viatical settlement contract or insurance policy;

(iv) premiums paid on an insurance policy;

(v) payments and changes in ownership or beneficiary made in accordance with the terms of a viatical settlement contract or insurance policy;

(vi) the reinstatement or conversion of an insurance policy;

(vii) in the solicitation, offer, effectuation, or sale of a viatical settlement contract or insurance policy;

(viii) the issuance of written evidence of viatical settlement contract, or insurance; or

(ix) a financing transaction; or

(B) employs any plan, financial structure, device, scheme, or artifice to defraud related to viaticated policies; or

(C) enters into any practice or plan which involves stranger-originated life insurance.

(2) In furtherance of a scheme to defraud, to further a fraud, or to prevent or hinder the detection of a scheme to defraud any person knowingly does or permits his employees or agents to do any of the following:

(A) remove, conceal, alter, destroy, or sequester from the Director the assets or records of a licensee or other person engaged in the business of viatical settlements;

(B) misrepresent or conceal the financial condition of a licensee, financing entity, insurer, or other person;

(C) transact the business of viatical settlements in violation of laws requiring a license, certificate of authority, or other legal authority for the transaction of the business of viatical settlements; or

(D) file with the Director or the equivalent chief insurance regulatory official of another jurisdiction a document containing false information or otherwise conceals information about a material fact from the Director;

(3) Any person knowingly steals, misappropriates, or converts monies, funds, premiums, credits, or other property of a viatical settlement provider, insurer, insured, viator, insurance policyowner, or any other person engaged in the business of viatical settlements or insurance;

(4) Any person recklessly enters into, negotiates, brokers, or otherwise deals in a viatical settlement contract, the subject of which is a life insurance policy that was obtained by presenting false information concerning any fact material to the policy or by concealing, for the purpose of misleading another, information concerning any fact material to the policy, where the person or the persons intended to defraud the policy's issuer, the viatical settlement provider or the viator; or

(5) Any person facilitates the change of state of ownership of a policy or the state of residency of a viator to a state or jurisdiction that does not have a law similar to this Act for the express purposes of evading or avoiding the provisions of this Act.

(c) For purposes of this Section, "person" means (i) an individual, (ii) a corporation, (iii) an officer, agent, or employee of a corporation, (iv) a member, agent, or employee of a partnership, or (v) a member, manager, employee, officer, director, or agent of a limited liability company who, in any such capacity described by this subsection (c), commits viatical settlement fraud.

Section 75. Unfair trade practices. A violation of this Act, including the commission of viatical settlement fraud, shall be considered an unfair trade practice under Article XXVI of the Illinois Insurance Code.

Section 85. Additional powers. In addition to any other hearing, examination, or investigation specifically provided for by this Act, the Director may conduct such hearings, examinations, and investigations as are provided for by Sections 402 and 403 of the Illinois Insurance Code.

Section 90. Insurance Code Provisions. Insurance producers operating as viatical settlement brokers shall be subject to Article XXXI of the Illinois Insurance Code.

Section 95. Applicability of securities laws. Nothing in this Act shall preempt or otherwise limit the provisions of the Illinois Securities Law of 1953 or any regulations, bulletins, or other interpretations issued by or through the Division acting pursuant to the Illinois Securities Law of 1953. Compliance with the provisions of this Act shall not constitute compliance with any applicable provision of the Illinois Securities Law of 1953 and any amendments thereto or any regulations, notices, bulletins, or other interpretations issued by or through the Division acting pursuant to the Illinois Securities Law of 1953.

Section 100. Viatical settlement provider application. A viatical settlement provider lawfully transacting business in this State may continue to do so pending approval or disapproval of the provider's application for a license as long as the application is filed with the Director not later than 30 days after

the effective date of this Act.

Section 105. Application of this Act. Notwithstanding any other provisions of this Act, nothing in this Act shall apply in the following instances:

(i) The purchase of the cash value of a life insurance policy and rights impacting the cash value, including death benefits, for an amount approximately equal to the cash value, but only to the extent that such death benefits include cash value or its monetary equivalent.

(ii) The collateral assignment of a life insurance policy or an interest in a life insurance policy by an owner of such a policy or an interest in such a policy if such collateral assignment is effected for the sole purpose of financing or refinancing the purchase described in item (i).

To be eligible for regulatory treatment pursuant to this Section 105, the individual or entity seeking such treatment must first provide written notice to the Director that the individual or entity engages in a business practice as described in items (i) or (ii). Such notice shall be in a form and manner and at a fee as prescribed by the Director and renewed 2 years from the date on which the prior notice is received by the Director.

Section 900. The Freedom of Information Act is amended by changing Section 7 as follows:
(5 ILCS 140/7) (from Ch. 116, par. 207)
(Text of Section before amendment by P.A. 95-988)
Sec. 7. Exemptions.
(1) The following shall be exempt from inspection and copying:

(a) Information specifically prohibited from disclosure by federal or State law or rules and regulations adopted under federal or State law.

(b) Information that, if disclosed, would constitute a clearly unwarranted invasion of personal privacy, unless the disclosure is consented to in writing by the individual subjects of the information. The disclosure of information that bears on the public duties of public employees and officials shall not be considered an invasion of personal privacy. Information exempted under this subsection (b) shall include but is not limited to:

(i) files and personal information maintained with respect to clients, patients, residents, students or other individuals receiving social, medical, educational, vocational, financial, supervisory or custodial care or services directly or indirectly from federal agencies or public bodies;

(ii) personnel files and personal information maintained with respect to employees, appointees or elected officials of any public body or applicants for those positions;

(iii) files and personal information maintained with respect to any applicant, registrant or licensee by any public body cooperating with or engaged in professional or occupational registration, licensure or discipline;

(iv) information required of any taxpayer in connection with the assessment or collection of any tax unless disclosure is otherwise required by State statute;

(v) information revealing the identity of persons who file complaints with or provide information to administrative, investigative, law enforcement or penal agencies; provided, however, that identification of witnesses to traffic accidents, traffic accident reports, and rescue reports may be provided by agencies of local government, except in a case for which a criminal investigation is ongoing, without constituting a clearly unwarranted per se invasion of personal privacy under this subsection; and

(vi) the names, addresses, or other personal information of participants and registrants in park district, forest preserve district, and conservation district programs.

(c) Records compiled by any public body for administrative enforcement proceedings and any law enforcement or correctional agency for law enforcement purposes or for internal matters of a public body, but only to the extent that disclosure would:

(i) interfere with pending or actually and reasonably contemplated law enforcement proceedings conducted by any law enforcement or correctional agency;

(ii) interfere with pending administrative enforcement proceedings conducted by any public body;

(iii) deprive a person of a fair trial or an impartial hearing;

(iv) unavoidably disclose the identity of a confidential source or confidential information furnished only by the confidential source;

(v) disclose unique or specialized investigative techniques other than those generally used and known or disclose internal documents of correctional agencies related to detection, observation or investigation of incidents of crime or misconduct;

(vi) constitute an invasion of personal privacy under subsection (b) of this Section;

(vii) endanger the life or physical safety of law enforcement personnel or any other person; or

(viii) obstruct an ongoing criminal investigation.

(d) Criminal history record information maintained by State or local criminal justice agencies, except the following which shall be open for public inspection and copying:

(i) chronologically maintained arrest information, such as traditional arrest logs or blotters;

(ii) the name of a person in the custody of a law enforcement agency and the charges for which that person is being held;

(iii) court records that are public;

(iv) records that are otherwise available under State or local law; or

(v) records in which the requesting party is the individual identified, except as

provided under part (vii) of paragraph (c) of subsection (1) of this Section.

"Criminal history record information" means data identifiable to an individual and consisting of descriptions or notations of arrests, detentions, indictments, informations, pre-trial proceedings, trials, or other formal events in the criminal justice system or descriptions or notations of criminal charges (including criminal violations of local municipal ordinances) and the nature of any disposition arising therefrom, including sentencing, court or correctional supervision, rehabilitation and release. The term does not apply to statistical records and reports in which individuals are not identified and from which their identities are not ascertainable, or to information that is for criminal investigative or intelligence purposes.

(e) Records that relate to or affect the security of correctional institutions and detention facilities.

(f) Preliminary drafts, notes, recommendations, memoranda and other records in which opinions are expressed, or policies or actions are formulated, except that a specific record or relevant portion of a record shall not be exempt when the record is publicly cited and identified by the head of the public body. The exemption provided in this paragraph (f) extends to all those records of officers and agencies of the General Assembly that pertain to the preparation of legislative documents.

(g) Trade secrets and commercial or financial information obtained from a person or business where the trade secrets or information are proprietary, privileged or confidential, or where disclosure of the trade secrets or information may cause competitive harm, including:

(i) All information determined to be confidential under Section 4002 of the Technology Advancement and Development Act.

(ii) All trade secrets and commercial or financial information obtained by a public body, including a public pension fund, from a private equity fund or a privately held company within the investment portfolio of a private equity fund as a result of either investing or evaluating a potential investment of public funds in a private equity fund. The exemption contained in this item does not apply to the aggregate financial performance information of a private equity fund, nor to the identity of the fund's managers or general partners. The exemption contained in this item does not apply to the identity of a privately held company within the investment portfolio of a private equity fund, unless the disclosure of the identity of a privately held company may cause competitive harm.

Nothing contained in this paragraph (g) shall be construed to prevent a person or business from consenting to disclosure.

(h) Proposals and bids for any contract, grant, or agreement, including information which if it were disclosed would frustrate procurement or give an advantage to any person proposing to enter into a contractor agreement with the body, until an award or final selection is made. Information prepared by or for the body in preparation of a bid solicitation shall be exempt until an award or final selection is made.

(i) Valuable formulae, computer geographic systems, designs, drawings and research data obtained or produced by any public body when disclosure could reasonably be expected to produce private gain or public loss. The exemption for "computer geographic systems" provided in this paragraph (i) does not extend to requests made by news media as defined in Section 2 of this Act

when the requested information is not otherwise exempt and the only purpose of the request is to access and disseminate information regarding the health, safety, welfare, or legal rights of the general public.

(j) Test questions, scoring keys and other examination data used to administer an academic examination or determined the qualifications of an applicant for a license or employment.

(k) Architects' plans, engineers' technical submissions, and other construction related technical documents for projects not constructed or developed in whole or in part with public funds and the same for projects constructed or developed with public funds, but only to the extent that disclosure would compromise security, including but not limited to water treatment facilities, airport facilities, sport stadiums, convention centers, and all government owned, operated, or occupied buildings.

(l) Library circulation and order records identifying library users with specific materials.

(m) Minutes of meetings of public bodies closed to the public as provided in the Open Meetings Act until the public body makes the minutes available to the public under Section 2.06 of the Open Meetings Act.

(n) Communications between a public body and an attorney or auditor representing the public body that would not be subject to discovery in litigation, and materials prepared or compiled by or for a public body in anticipation of a criminal, civil or administrative proceeding upon the request of an attorney advising the public body, and materials prepared or compiled with respect to internal audits of public bodies.

(o) Information received by a primary or secondary school, college or university under its procedures for the evaluation of faculty members by their academic peers.

(p) Administrative or technical information associated with automated data processing operations, including but not limited to software, operating protocols, computer program abstracts, file layouts, source listings, object modules, load modules, user guides, documentation pertaining to all logical and physical design of computerized systems, employee manuals, and any other information that, if disclosed, would jeopardize the security of the system or its data or the security of materials exempt under this Section.

(q) Documents or materials relating to collective negotiating matters between public bodies and their employees or representatives, except that any final contract or agreement shall be subject to inspection and copying.

(r) Drafts, notes, recommendations and memoranda pertaining to the financing and marketing transactions of the public body. The records of ownership, registration, transfer, and exchange of municipal debt obligations, and of persons to whom payment with respect to these obligations is made.

(s) The records, documents and information relating to real estate purchase negotiations until those negotiations have been completed or otherwise terminated. With regard to a parcel involved in a pending or actually and reasonably contemplated eminent domain proceeding under the

Eminent Domain Act, records, documents and information relating to that parcel shall be exempt except as may be allowed under discovery rules adopted by the Illinois Supreme Court. The records, documents and information relating to a real estate sale shall be exempt until a sale is consummated.

(t) Any and all proprietary information and records related to the operation of an intergovernmental risk management association or self-insurance pool or jointly self-administered health and accident cooperative or pool.

(u) Information concerning a university's adjudication of student or employee grievance or disciplinary cases, to the extent that disclosure would reveal the identity of the student or employee and information concerning any public body's adjudication of student or employee grievances or disciplinary cases, except for the final outcome of the cases.

(v) Course materials or research materials used by faculty members.

(w) Information related solely to the internal personnel rules and practices of a public body.

(x) Information contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of a public body responsible for the regulation or supervision of financial institutions or insurance companies, unless disclosure is otherwise required by State law.

(y) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(z) Manuals or instruction to staff that relate to establishment or collection of liability for any State tax or that relate to investigations by a public body to determine violation of any criminal law.

(aa) Applications, related documents, and medical records received by the Experimental Organ Transplantation Procedures Board and any and all documents or other records prepared by the Experimental Organ Transplantation Procedures Board or its staff relating to applications it has received.

(bb) Insurance or self insurance (including any intergovernmental risk management association or self insurance pool) claims, loss or risk management information, records, data, advice or communications.

(cc) Information and records held by the Department of Public Health and its authorized representatives relating to known or suspected cases of sexually transmissible disease or any information the disclosure of which is restricted under the Illinois Sexually Transmissible Disease Control Act.

(dd) Information the disclosure of which is exempted under Section 30 of the Radon Industry Licensing Act.

(ee) Firm performance evaluations under Section 55 of the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

(ff) Security portions of system safety program plans, investigation reports, surveys, schedules, lists, data, or information compiled, collected, or prepared by or for the Regional Transportation Authority under Section 2.11 of the Regional Transportation Authority Act or the St. Clair County Transit District under the Bi-State Transit Safety Act.

(gg) Information the disclosure of which is restricted and exempted under Section 50 of the Illinois Prepaid Tuition Act.

(hh) Information the disclosure of which is exempted under the State Officials and Employees Ethics Act.

(ii) Beginning July 1, 1999, information that would disclose or might lead to the disclosure of secret or confidential information, codes, algorithms, programs, or private keys intended to be used to create electronic or digital signatures under the Electronic Commerce Security Act.

(jj) Information contained in a local emergency energy plan submitted to a municipality in accordance with a local emergency energy plan ordinance that is adopted under Section 11-21.5-5 of the Illinois Municipal Code.

(kk) Information and data concerning the distribution of surcharge moneys collected and remitted by wireless carriers under the Wireless Emergency Telephone Safety Act.

(ll) Vulnerability assessments, security measures, and response policies or plans that are designed to identify, prevent, or respond to potential attacks upon a community's population or systems, facilities, or installations, the destruction or contamination of which would constitute a clear and present danger to the health or safety of the community, but only to the extent that disclosure could reasonably be expected to jeopardize the effectiveness of the measures or the safety of the personnel who implement them or the public. Information exempt under this item may include such things as details pertaining to the mobilization or deployment of personnel or equipment, to the operation of communication systems or protocols, or to tactical operations.

(mm) Maps and other records regarding the location or security of generation, transmission, distribution, storage, gathering, treatment, or switching facilities owned by a utility or by the Illinois Power Agency.

(nn) Law enforcement officer identification information or driver identification information compiled by a law enforcement agency or the Department of Transportation under Section 11-212 of the Illinois Vehicle Code.

(oo) Records and information provided to a residential health care facility resident sexual assault and death review team or the Executive Council under the Abuse Prevention Review Team Act.

(pp) Information provided to the predatory lending database created pursuant to Article 3 of the Residential Real Property Disclosure Act, except to the extent authorized under that Article.

(qq) Defense budgets and petitions for certification of compensation and expenses for

court appointed trial counsel as provided under Sections 10 and 15 of the Capital Crimes Litigation Act. This subsection (qq) shall apply until the conclusion of the trial of the case, even if the prosecution chooses not to pursue the death penalty prior to trial or sentencing.

(rr) Information contained in or related to proposals, bids, or negotiations related to electric power procurement under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act that is determined to be confidential and proprietary by the Illinois Power Agency or by the Illinois Commerce Commission.

(ss) Information that is prohibited from being disclosed under Section 4 of the Illinois Health and Hazardous Substances Registry Act.

(tt) Information the disclosure of which is exempted under the Viatical Settlements Act of 2009.

(2) This Section does not authorize withholding of information or limit the availability of records to the public, except as stated in this Section or otherwise provided in this Act.

(Source: P.A. 94-280, eff. 1-1-06; 94-508, eff. 1-1-06; 94-664, eff. 1-1-06; 94-931, eff. 6-26-06; 94-953, eff. 6-27-06; 94-1055, eff. 1-1-07; 95-331, eff. 8-21-07; 95-481, eff. 8-28-07; 95-941, eff. 8-29-08.)

(Text of Section after amendment by P.A. 95-988)

Sec. 7. Exemptions.

(1) The following shall be exempt from inspection and copying:

(a) Information specifically prohibited from disclosure by federal or State law or rules and regulations adopted under federal or State law.

(b) Information that, if disclosed, would constitute a clearly unwarranted invasion of personal privacy, unless the disclosure is consented to in writing by the individual subjects of the information. The disclosure of information that bears on the public duties of public employees and officials shall not be considered an invasion of personal privacy. Information exempted under this subsection (b) shall include but is not limited to:

(i) files and personal information maintained with respect to clients, patients, residents, students or other individuals receiving social, medical, educational, vocational, financial, supervisory or custodial care or services directly or indirectly from federal agencies or public bodies;

(ii) personnel files and personal information maintained with respect to employees, appointees or elected officials of any public body or applicants for those positions;

(iii) files and personal information maintained with respect to any applicant, registrant or licensee by any public body cooperating with or engaged in professional or occupational registration, licensure or discipline;

(iv) information required of any taxpayer in connection with the assessment or collection of any tax unless disclosure is otherwise required by State statute;

(v) information revealing the identity of persons who file complaints with or provide information to administrative, investigative, law enforcement or penal agencies; provided, however, that identification of witnesses to traffic accidents, traffic accident reports, and rescue reports may be provided by agencies of local government, except in a case for which a criminal investigation is ongoing, without constituting a clearly unwarranted per se invasion of personal

privacy under this subsection;

(vi) the names, addresses, or other personal information of participants and registrants in park district, forest preserve district, and conservation district programs; and

(vii) the Notarial Record or other medium containing the thumbprint or fingerprint required by Section 3-102(c)(6) of the Illinois Notary Public Act.

(c) Records compiled by any public body for administrative enforcement proceedings and any law enforcement or correctional agency for law enforcement purposes or for internal matters of a public body, but only to the extent that disclosure would:

(i) interfere with pending or actually and reasonably contemplated law enforcement proceedings conducted by any law enforcement or correctional agency;

(ii) interfere with pending administrative enforcement proceedings conducted by any public body;

(iii) deprive a person of a fair trial or an impartial hearing;
(iv) unavoidably disclose the identity of a confidential source or confidential information furnished only by the confidential source;

(v) disclose unique or specialized investigative techniques other than those generally used and known or disclose internal documents of correctional agencies related to detection, observation or investigation of incidents of crime or misconduct;

(vi) constitute an invasion of personal privacy under subsection (b) of this Section;

(vii) endanger the life or physical safety of law enforcement personnel or any other person; or

(viii) obstruct an ongoing criminal investigation.
(d) Criminal history record information maintained by State or local criminal justice agencies, except the following which shall be open for public inspection and copying:

(i) chronologically maintained arrest information, such as traditional arrest logs or blotters;

(ii) the name of a person in the custody of a law enforcement agency and the charges for which that person is being held;

(iii) court records that are public;
(iv) records that are otherwise available under State or local law; or
(v) records in which the requesting party is the individual identified, except as provided under part (vii) of paragraph (c) of subsection (1) of this Section.

"Criminal history record information" means data identifiable to an individual and consisting of descriptions or notations of arrests, detentions, indictments, informations, pre-trial proceedings, trials, or other formal events in the criminal justice system or descriptions or notations of criminal charges (including criminal violations of local municipal ordinances) and the nature of any disposition arising therefrom, including sentencing, court or correctional supervision, rehabilitation and release. The term does not apply to statistical records and reports in which individuals are not identified and from which their identities are not ascertainable, or to information that is for criminal investigative or intelligence purposes.

(e) Records that relate to or affect the security of correctional institutions and detention facilities.

(f) Preliminary drafts, notes, recommendations, memoranda and other records in which opinions are expressed, or policies or actions are formulated, except that a specific record or relevant portion of a record shall not be exempt when the record is publicly cited and identified by the head of the public body. The exemption provided in this paragraph (f) extends to all those records of officers and agencies of the General Assembly that pertain to the preparation of legislative documents.

(g) Trade secrets and commercial or financial information obtained from a person or business where the trade secrets or information are proprietary, privileged or confidential, or where disclosure of the trade secrets or information may cause competitive harm, including:

(i) All information determined to be confidential under Section 4002 of the Technology Advancement and Development Act.

(ii) All trade secrets and commercial or financial information obtained by a public body, including a public pension fund, from a private equity fund or a privately held company within the investment portfolio of a private equity fund as a result of either investing or evaluating a potential investment of public funds in a private equity fund. The exemption contained in this item does not apply to the aggregate financial performance information of a private equity fund, nor to the identity of the fund's managers or general partners. The exemption contained in this item does not apply to the identity of a privately held company within the investment portfolio of a private equity fund, unless the disclosure of the identity of a privately held company may cause competitive harm.

Nothing contained in this paragraph (g) shall be construed to prevent a person or business from consenting to disclosure.

(h) Proposals and bids for any contract, grant, or agreement, including information which if it were disclosed would frustrate procurement or give an advantage to any person proposing to enter into a contractor agreement with the body, until an award or final selection is made. Information prepared by or for the body in preparation of a bid solicitation shall be exempt until an award or final selection is made.

(i) Valuable formulae, computer geographic systems, designs, drawings and research data obtained or produced by any public body when disclosure could reasonably be expected to produce private gain or public loss. The exemption for "computer geographic systems" provided in this paragraph (i) does not extend to requests made by news media as defined in Section 2 of this Act when the requested information is not otherwise exempt and the only purpose of the request is to

access and disseminate information regarding the health, safety, welfare, or legal rights of the general public.

(j) Test questions, scoring keys and other examination data used to administer an academic examination or determined the qualifications of an applicant for a license or employment.

(k) Architects' plans, engineers' technical submissions, and other construction related technical documents for projects not constructed or developed in whole or in part with public funds and the same for projects constructed or developed with public funds, but only to the extent that disclosure would compromise security, including but not limited to water treatment facilities, airport facilities, sport stadiums, convention centers, and all government owned, operated, or occupied buildings.

(l) Library circulation and order records identifying library users with specific materials.

(m) Minutes of meetings of public bodies closed to the public as provided in the Open Meetings Act until the public body makes the minutes available to the public under Section 2.06 of the Open Meetings Act.

(n) Communications between a public body and an attorney or auditor representing the public body that would not be subject to discovery in litigation, and materials prepared or compiled by or for a public body in anticipation of a criminal, civil or administrative proceeding upon the request of an attorney advising the public body, and materials prepared or compiled with respect to internal audits of public bodies.

(o) Information received by a primary or secondary school, college or university under its procedures for the evaluation of faculty members by their academic peers.

(p) Administrative or technical information associated with automated data processing operations, including but not limited to software, operating protocols, computer program abstracts, file layouts, source listings, object modules, load modules, user guides, documentation pertaining to all logical and physical design of computerized systems, employee manuals, and any other information that, if disclosed, would jeopardize the security of the system or its data or the security of materials exempt under this Section.

(q) Documents or materials relating to collective negotiating matters between public bodies and their employees or representatives, except that any final contract or agreement shall be subject to inspection and copying.

(r) Drafts, notes, recommendations and memoranda pertaining to the financing and marketing transactions of the public body. The records of ownership, registration, transfer, and exchange of municipal debt obligations, and of persons to whom payment with respect to these obligations is made.

(s) The records, documents and information relating to real estate purchase negotiations until those negotiations have been completed or otherwise terminated. With regard to a parcel involved in a pending or actually and reasonably contemplated eminent domain proceeding under the Eminent Domain Act, records, documents and information relating to that parcel shall be exempt

except as may be allowed under discovery rules adopted by the Illinois Supreme Court. The records, documents and information relating to a real estate sale shall be exempt until a sale is consummated.

(t) Any and all proprietary information and records related to the operation of an intergovernmental risk management association or self-insurance pool or jointly self-administered health and accident cooperative or pool.

(u) Information concerning a university's adjudication of student or employee grievance or disciplinary cases, to the extent that disclosure would reveal the identity of the student or employee and information concerning any public body's adjudication of student or employee grievances or disciplinary cases, except for the final outcome of the cases.

(v) Course materials or research materials used by faculty members.

(w) Information related solely to the internal personnel rules and practices of a public body.

(x) Information contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of a public body responsible for the regulation or supervision of financial institutions or insurance companies, unless disclosure is otherwise required by State law.

(y) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(z) Manuals or instruction to staff that relate to establishment or collection of liability for any State tax or that relate to investigations by a public body to determine violation of any criminal law.

(aa) Applications, related documents, and medical records received by the Experimental Organ Transplantation Procedures Board and any and all documents or other records prepared by the Experimental Organ Transplantation Procedures Board or its staff relating to applications it has received.

(bb) Insurance or self insurance (including any intergovernmental risk management association or self insurance pool) claims, loss or risk management information, records, data, advice or communications.

(cc) Information and records held by the Department of Public Health and its authorized representatives relating to known or suspected cases of sexually transmissible disease or any information the disclosure of which is restricted under the Illinois Sexually Transmissible Disease Control Act.

(dd) Information the disclosure of which is exempted under Section 30 of the Radon Industry Licensing Act.

(ee) Firm performance evaluations under Section 55 of the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

(ff) Security portions of system safety program plans, investigation reports, surveys, schedules, lists, data, or information compiled, collected, or prepared by or for the Regional Transportation Authority under Section 2.11 of the Regional Transportation Authority Act or the St. Clair County Transit District under the Bi-State Transit Safety Act.

(gg) Information the disclosure of which is restricted and exempted under Section 50 of the Illinois Prepaid Tuition Act.

(hh) Information the disclosure of which is exempted under the State Officials and Employees Ethics Act.

(ii) Beginning July 1, 1999, information that would disclose or might lead to the disclosure of secret or confidential information, codes, algorithms, programs, or private keys intended to be used to create electronic or digital signatures under the Electronic Commerce Security Act.

(jj) Information contained in a local emergency energy plan submitted to a municipality in accordance with a local emergency energy plan ordinance that is adopted under Section 11-21.5-5 of the Illinois Municipal Code.

(kk) Information and data concerning the distribution of surcharge moneys collected and remitted by wireless carriers under the Wireless Emergency Telephone Safety Act.

(ll) Vulnerability assessments, security measures, and response policies or plans that are designed to identify, prevent, or respond to potential attacks upon a community's population or systems, facilities, or installations, the destruction or contamination of which would constitute a clear and present danger to the health or safety of the community, but only to the extent that disclosure could reasonably be expected to jeopardize the effectiveness of the measures or the safety of the personnel who implement them or the public. Information exempt under this item may include such things as details pertaining to the mobilization or deployment of personnel or equipment, to the operation of communication systems or protocols, or to tactical operations.

(mm) Maps and other records regarding the location or security of generation, transmission, distribution, storage, gathering, treatment, or switching facilities owned by a utility or by the Illinois Power Agency.

(nn) Law enforcement officer identification information or driver identification information compiled by a law enforcement agency or the Department of Transportation under Section 11-212 of the Illinois Vehicle Code.

(oo) Records and information provided to a residential health care facility resident sexual assault and death review team or the Executive Council under the Abuse Prevention Review Team Act.

(pp) Information provided to the predatory lending database created pursuant to Article 3 of the Residential Real Property Disclosure Act, except to the extent authorized under that Article.

(qq) Defense budgets and petitions for certification of compensation and expenses for court appointed trial counsel as provided under Sections 10 and 15 of the Capital Crimes Litigation

Act. This subsection (qq) shall apply until the conclusion of the trial of the case, even if the prosecution chooses not to pursue the death penalty prior to trial or sentencing.

(rr) Information contained in or related to proposals, bids, or negotiations related to electric power procurement under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act that is determined to be confidential and proprietary by the Illinois Power Agency or by the Illinois Commerce Commission.

(ss) Information that is prohibited from being disclosed under Section 4 of the Illinois Health and Hazardous Substances Registry Act.

(tt) Information the disclosure of which is exempted under the Viatical Settlements Act of 2009.

(2) This Section does not authorize withholding of information or limit the availability of records to the public, except as stated in this Section or otherwise provided in this Act.

(Source: P.A. 94-280, eff. 1-1-06; 94-508, eff. 1-1-06; 94-664, eff. 1-1-06; 94-931, eff. 6-26-06; 94-953, eff. 6-27-06; 94-1055, eff. 1-1-07; 95-331, eff. 8-21-07; 95-481, eff. 8-28-07; 95-941, eff. 8-29-08; 95-988, eff. 6-1-09; revised 10-20-08.)

Section 905. The Illinois Insurance Code is amended by changing Section 500-70 as follows:

(215 ILCS 5/500-70)

(Section scheduled to be repealed on January 1, 2017)

Sec. 500-70. License denial, nonrenewal, or revocation.

(a) The Director may place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with this Section or take any combination of actions, for any one or more of the following causes:

(1) providing incorrect, misleading, incomplete, or materially untrue information in the license application;

(2) violating any insurance laws, or violating any rule, subpoena, or order of the Director or of another state's insurance commissioner;

(3) obtaining or attempting to obtain a license through misrepresentation or fraud;

(4) improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business;

(5) intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

(6) having been convicted of a felony;

(7) having admitted or been found to have committed any insurance unfair trade practice or fraud;

(8) using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere;

(9) having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district or territory;

(10) forging a name to an application for insurance or to a document related to an

insurance transaction;

(11) improperly using notes or any other reference material to complete an examination for an insurance license;

(12) knowingly accepting insurance business from an individual who is not licensed;

(13) failing to comply with an administrative or court order imposing a child support obligation;

(14) failing to pay state income tax or penalty or interest or comply with any administrative or court order directing payment of state income tax or failed to file a return or to pay any final assessment of any tax due to the Department of Revenue; ~~or~~

(15) failing to make satisfactory repayment to the Illinois Student Assistance Commission for a delinquent or defaulted student loan; or ~~.~~

(16) failing to comply with any provision of the Viatical Settlements Act of 2009.

(b) If the action by the Director is to nonrenew, suspend, or revoke a license or to deny an application for a license, the Director shall notify the applicant or licensee and advise, in writing, the applicant or licensee of the reason for the suspension, revocation, denial or nonrenewal of the applicant's or licensee's license. The applicant or licensee may make written demand upon the Director within 30 days after the date of mailing for a hearing before the Director to determine the reasonableness of the Director's action. The hearing must be held within not fewer than 20 days nor more than 30 days after the mailing of the notice of hearing and shall be held pursuant to 50 Ill. Adm. Code 2402.

(c) The license of a business entity may be suspended, revoked, or refused if the Director finds, after hearing, that an individual licensee's violation was known or should have been known by one or more of the partners, officers, or managers acting on behalf of the partnership, corporation, limited liability company, or limited liability partnership and the violation was neither reported to the Director nor corrective action taken.

(d) In addition to or instead of any applicable denial, suspension, or revocation of a license, a person may, after hearing, be subject to a civil penalty of up to $10,000 for each cause for denial, suspension, or revocation, however, the civil penalty may total no more than $100,000.

(e) The Director has the authority to enforce the provisions of and impose any penalty or remedy authorized by this Article against any person who is under investigation for or charged with a violation of this Code or rules even if the person's license or registration has been surrendered or has lapsed by operation of law.

(f) Upon the suspension, denial, or revocation of a license, the licensee or other person having possession or custody of the license shall promptly deliver it to the Director in person or by mail. The Director shall publish all suspensions, denials, or revocations after the suspensions, denials, or revocations become final in a manner designed to notify interested insurance companies and other persons.

(g) A person whose license is revoked or whose application is denied pursuant to this Section is ineligible to apply for any license for 3 years after the revocation or denial. A person whose license as an insurance producer has been revoked, suspended, or denied may not be employed, contracted, or engaged in any insurance related capacity during the time the revocation, suspension, or denial is in effect.

(Source: P.A. 92-386, eff. 1-1-02; 93-32, eff. 7-1-03.)

Section 910. The Illinois Securities Law of 1953 is amended by changing Section 2.1 and by adding Section 2.33 as follows:

(815 ILCS 5/2.1) (from Ch. 121 1/2, par. 137.2-1)

Sec. 2.1. Security. "Security" means any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, viatical

investment, investment fund share, face-amount certificate, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas or other mineral lease, right or royalty, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into, relating to foreign currency, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not mean a mineral investment contract or a mineral deferred delivery contract; provided, however, the Department shall have the authority to regulate these contracts as hereinafter provided.
(Source: P.A. 92-308, eff. 1-1-02; 93-927, eff. 8-12-04.)

(815 ILCS 5/2.33 new)

Sec. 2.33. Viatical investment. "Viatical investment" means the contractual right to receive any portion of the death benefit or ownership of a life insurance policy or certificate for consideration that is less than the expected death benefit of the life insurance policy or certificate. "Viatical investment" does not include:

(1) any transaction between a viator and a viatical settlement provider, as defined in the Viatical Settlements Act of 2009;

(2) any transfer of ownership or beneficial interest in a life insurance policy from a viatical settlement provider to another viatical settlement provider, as defined in the Viatical Settlements Act of 2009, or to any legal entity formed solely for the purpose of holding ownership or beneficial interest in a life insurance policy or policies;

(3) the bona fide assignment of a life insurance policy to a bank, savings bank, savings and loan association, credit union, or financial institution as collateral for a loan; for the purposes of this item (3), "financial institution" means financial institution as defined by Viatical Settlements Act of 2009; or

(4) a policy loan by a life insurance company or the exercise of accelerated benefits pursuant to the terms of a life insurance policy issued in accordance with the Illinois Insurance Code.

Section 995. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 999. Effective date. This Act takes effect July 1, 2010.".

Senator Haine moved the foregoing amendment be ordered to lie on the table.

The motion to table prevailed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Haine, **Senate Bill No. 2091**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans

Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Bivins, **Senate Bill No. 2095** was recalled from the order of third reading to the order of second reading.

Senator Bivins offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2095

AMENDMENT NO. 1. Amend Senate Bill 2095 on page 2 by inserting immediately below line 2 the following:

"(a-5) Upon notification from the Clerk of the Circuit Court of an outstanding fine, restitution, or costs imposed by the court on a jail inmate, the warden of the jail may, at any time prior to release of the inmate, deduct from money credited to any account of the inmate an amount to pay or reduce the outstanding balance. The warden of the jail shall establish by regulation criteria for deduction from money credited to any account of an inmate to pay or reduce the amount outstanding on a fine, restitution, or costs imposed by the court on the inmate. The regulation shall comply with any withholding restrictions otherwise provided by law. The inmate shall be provided with written notice of the amount of any deduction. There shall also be prominent notice by signage at any location where the warden of the jail or jail employees receive funds for deposit into an inmate's account, that funds in an inmate's account may be used to pay fines, restitution, or costs imposed on the inmate by a court. Any person providing funds for an inmate's account shall be notified in writing when the funds are provided, that funds in an inmate's account may be used to pay fines, restitution, or costs imposed on the inmate by a court."; and

on page 2, by deleting lines 15 through 21.

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Bivins, **Senate Bill No. 2095**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 51; NAYS 3; Present 3.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Link	Rutherford

Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Holmes	McCarter	Silverstein
Clayborne	Hultgren	Millner	Steans
Cronin	Hunter	Munoz	Sullivan
Crotty	Hutchinson	Murphy	Syverson
Dahl	Jacobs	Noland	Viverito
DeLeo	Jones, E.	Pankau	Wilhelmi
Demuzio	Jones, J.	Radogno	Mr. President
Dillard	Koehler	Raoul	

The following voted in the negative:

Harmon
Hendon
Trotter

The following voted present:

Delgado
Lightford
Martinez

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Hunter, **Senate Bill No. 2103**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 45; NAYS 12.

The following voted in the affirmative:

Althoff	Garrett	Maloney	Sandoval
Bond	Haine	Martinez	Schoenberg
Clayborne	Harmon	Meeks	Silverstein
Collins	Hendon	Millner	Steans
Cronin	Holmes	Munoz	Sullivan
Crotty	Hunter	Murphy	Trotter
DeLeo	Hutchinson	Noland	Viverito
Delgado	Jacobs	Pankau	Wilhelmi
Demuzio	Koehler	Radogno	Mr. President
Dillard	Kotowski	Raoul	
Forby	Lightford	Righter	
Frerichs	Link	Risinger	

The following voted in the negative:

Bivins	Dahl	Luechtefeld
Bomke	Duffy	McCarter
Brady	Jones, J.	Rutherford
Burzynski	Lauzen	Syverson

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Hunter, **Senate Bill No. 2104**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Pending roll call on motion of Senator Hunter, further consideration of **Senate Bill No. 2104** was postponed.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 2111** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2111

AMENDMENT NO. 1. Amend Senate Bill 2111 on page 2, line 23, by deleting "and prudent".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 2111**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None; Present 2.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

The following voted present:

DeLeo
Mr. President

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Bond, **Senate Bill No. 2109** was recalled from the order of third reading to the order of second reading.

Senator Bond offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2109

AMENDMENT NO. __1__. Amend Senate Bill 2109 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Innovation Zone Act.

Section 5. Findings. The General Assembly finds that Illinois faces considerable challenges as it confronts increasing global competition, turbulent financial markets, recessionary pressures, and mounting unemployment levels. Although Illinois businesses, entrepreneurs, and institutions have a rich history of innovation, other states and nations have instituted major financial incentive programs specifically targeted at businesses, institutions, and entrepreneurs to accelerate the pace of innovation and job creation. The State must continue the development of, and implement new measures to, create a vibrant technology-based economy in Illinois and the resultant high-skill, high-wage jobs that a technology-based economy will provide for Illinois' citizens. There are certain areas in this State that need the particular attention of government, business, advanced sciences, and the citizens of Illinois to help attract investments in the advanced sciences for these areas, to directly aid the local community and its residents, and to expand the body of fundamental knowledge. These efforts must include activities that will: (1) encourage and retain entrepreneurs and our highly-skilled and educated graduates and workers; (2) develop an innovation culture that will sustain a technology pipeline; (3) supplement the resources and expertise of local technology-based companies, universities, national laboratories, hospitals and health care institutions, and other institutions; (4) encourage productive regional public and private sector collaborations; (5) ensure a skilled, technologically-competent workforce pipeline; and (6) make Illinois a premier location for technology-based businesses and entrepreneurs. An essential first step to accomplish these goals is the establishment of geographically and strategically based designated Illinois Innovation Zones and the creation of an Illinois Innovation Council to help coordinate and evaluate the progress of the Innovation Zones in achieving the goals of this Act.

Section 10. Definitions. As used in this Act:

"Business" means a for-profit or not-for-profit or non-profit legal entity located in an Innovation Zone including, but not limited to, any sole proprietorship, partnership, corporation, joint venture, association, or cooperative.

"Department" means the Department of Commerce and Economic Opportunity.

"Financial institution" means a trust company, a bank, a savings bank, a credit union, an investment bank, a broker, an investment trust, a pension fund, a building and loan association, a savings and loan association, an insurance company, or any venture capital company that is authorized to do business in this State.

"Loan" means an agreement or contract to provide a loan or other financial aid to a business.

"Participating lender" means a financial institution approved by the Department that assumes a portion of the financing for a business project.

"Project" means any specific economic development activity of a commercial, industrial, manufacturing, agricultural, healthcare or health services, scientific, service, or other business in an Innovation Zone, the result of which yields an increase in jobs and may include the purchase or lease of machinery and equipment, the lease or purchase of real property or funds for infrastructure necessitated by site preparation, building construction, or related purposes. "Project" does not include refinancing current debt.

"Zone" means an Innovation Zone established under this Act.

Section 15. Qualifications for Innovation Zones. An area is qualified to become an Innovation Zone if it:

(1) is an existing technology park and has been recognized as such by the Department, including the DuPage National Technology Park, the Illinois Science + Technology Park, the Chicago Technology Park, the Research Park at the University of Illinois, the University Technology Park at the Illinois Institute of Technology, the Southern Illinois Research Park at Carbondale, the University Park at Southern Illinois University Edwardsville, and the Peoria NEXT Innovation Center; or

(2) is an area that meets all of the following criteria:

(A) Is a contiguous area that is properly zoned for commercial/industrial activity, but a zone area may exclude wholly surrounded territory within its boundaries.

(B) Has an established partnership that is comprised of an institution of higher education and a combination of: private businesses; business support organizations, including economic development organizations and workforce development or training organizations; commercial lending institutions; venture capital networks, including angel investors; foundations; and local or county government.

(C) Has a concentration of, or is targeting for, development and location, technology-based businesses and entrepreneurs.

(D) Has a primary goal of promoting innovations leading to new business development or business expansion and retention and job creation or retention within a designated geographic area.

(E) Has sufficient infrastructure in place, including human capital, to support and attract technology-based businesses and entrepreneurs.

(F) Any additional criteria established by the Department or by law that will serve to advance the commercialization of the area's research and development, leading to the creation of new technology-based enterprises, wealth, and new job creation.

Section 20. Initiation of Innovation Zones by a municipality or county.

(a) No area may be designated as an Innovation Zone except pursuant to an initiating ordinance adopted in accordance with this Section.

(b) A county or municipality may by ordinance designate an area within its jurisdiction as an Innovation Zone, subject to the certification of the Department in accordance with this Act, if:

(1) the area is qualified in accordance with Section 15; and

(2) the county or municipality has conducted at least one public hearing within the proposed zone area on the question of whether to create the zone, what local plans, tax incentives, or other programs should be established in connection with the Zone, and what the boundaries of the Zone should be; public notice of the hearing shall be published in at least one newspaper of general circulation within the Zone area not more than 20 days nor less than 5 days before the hearing.

(c) An ordinance designating an area as an Innovation Zone shall set forth all of the following:

(1) A precise description of the area comprising the zone, either in the form of a legal description or by reference to roadways, lakes and waterways, and township and county boundaries.

(2) A finding that the zone area meets the qualifications of Section 15.

(3) Provisions for any tax incentives or reimbursement for taxes that pursuant to State and federal law apply to business enterprises within the zone at the election of the designating county or municipality and that are not applicable throughout the county or municipality.

(4) A designation of the area as an Innovation Zone, subject to the approval of the Department in accordance with this Act.

(5) The duration or term of the Innovation Zone.

(d) This Section does not prohibit a municipality or county from extending additional tax incentives or reimbursement for business enterprises in Innovation Zones or throughout their territory by separate ordinance.

Section 25. Application to Department. A county or municipality that has adopted an ordinance designating an area as an Innovation Zone shall make written application to the Department to have the proposed Innovation Zone certified by the Department as an Innovation Zone. The application must include:

(1) a certified copy of the ordinance designating the proposed zone;

(2) a map of the proposed Innovation Zone, showing existing streets and highways, the total area, and present use and conditions generally of the land and structures within those boundaries;

(3) an analysis, and any appropriate supporting documents and statistics, demonstrating that the proposed zone area is qualified in accordance with Section 15;

(4) a statement detailing any tax, grant, and other financial incentives or benefits, and any programs, to be provided by the municipality or county to business enterprises within the zone, other than those provided in the designating ordinance, that are not to be provided throughout the municipality or county;

(5) a statement setting forth the economic development and planning objectives for the Zone, such as a description of the methods proposed to increase economic development and expansion, to facilitate infrastructure improvement, to reduce the local regulatory burden, and to identify job training opportunities;

(6) a Memorandum of Understanding or Partnership Agreement executed by the entities and organizations set forth in Section 15 outlining the roles, responsibilities, and contributions of each partner to the Zone;

(7) a statement describing the functions, programs, and services to be performed by designated Zone organizations within the Zone;

(8) an estimate of the economic impact of the Zone, considering all of the tax incentives, financial benefits, and programs contemplated, upon the revenues of the municipality or county;

(9) a transcript of all public hearings on the Zone; and

(10) any additional information as the Department by rule may require.

Section 30. Department review of Innovation Zone applications.

(a) All applications that are to be considered under the criteria in item (1) of Section 15 and acted upon by the Department may be submitted to the Department once all of the application requirements have been met.

(b) For all other applications that are to be considered under the criteria in item (2) of Section 15 and acted upon by the Department during a calendar year must be received by the Department no later than December 31 of the preceding calendar year. Any application received on or after January 1 of any calendar year shall be held by the Department for consideration and action during the following calendar year.

(c) Upon receipt of an application from a county or municipality, the Department shall review the application to determine whether the designated area qualifies as an Innovation Zone under Section 15 of this Act.

(d) For applications submitted under the criteria in item (1) of Section 15, the Department shall notify all applicant municipalities and counties of the Department's determination of the qualification of their respective designated Innovation Zone areas within 60 days after receipt of a completed application. For applications submitted under the criteria in item (2) of Section 15, the Department shall notify all applicant municipalities and counties of the Department's determination of the qualification of their respective designated Innovation Zone areas by no later than May 1.

(e) If such designated area is found to be qualified to be an Innovation Zone, the Department shall publish a notice in at least one newspaper of general circulation within the proposed Zone area to notify the general public of the application and their opportunity to comment. The notice shall include a description of the area and a brief summary of the application and shall indicate locations where the applicant has provided copies of the application for public inspection. The notice shall also indicate appropriate procedures for the filing of written comments from residents, business, civic, and other organizations and property owners adjacent to the proposed Zone to the Department.

(f) Except for as provided for in subsection (a) of this Section, by July 1 of each calendar year, the Department shall either approve or deny all applications filed by December 31 of the preceding calendar year. If an application is denied, then the Department shall inform the county or municipality of the specific reasons for the denial.

Section 35. Certification of Innovation Zones; effective date.

(a) Approval of designated Innovation Zones shall be made by the Department by certification of the designating ordinance. The Department shall promptly issue a certificate for each Innovation Zone upon its approval. The certificate shall be signed by the Director of the Department, shall make specific reference to the designating ordinance, which shall be attached thereto, and shall be filed in the Office of the Secretary of State. A certified copy of the Innovation Zone Certificate, or a duplicate original

thereof, shall be recorded in the office of recorder of deeds of the county in which the Innovation Zone lies.

(b) An Innovation Zone shall be effective upon its certification. The Department shall transmit a copy of the certification to the Department of Revenue and to the designating municipality or county. Upon certification of an Innovation Zone, the terms and provisions of the designating ordinance shall be in effect, and may not be amended or repealed except in accordance with Section 40.

(c) An Innovation Zone shall be in effect for 30 calendar years or for a lesser number of years specified in the certified designating ordinance. Innovation Zones shall terminate at midnight of December 31 of the final calendar year of the certified term, except as provided in Section 15.

(d) No more than 8 Innovation Zones may be certified by the Department in calendar year 2010 and no more than 15 Innovation Zones may exist in the State at any given time.

Section 40. Amendment and decertification of Innovation Zones.

(a) The terms of a certified Innovation Zone designating ordinance may be amended to do any of the following:

(1) Alter the boundaries of the Innovation Zones.

(2) Expand, limit, or repeal tax incentives or benefits provided in the ordinance.

(3) Alter the termination date of the Zone.

(4) Make technical corrections in the Innovation Zone designating ordinance, but such amendment shall not be effective unless the Department issues an amended certificate for the Innovation Zone, approving the amended designating ordinance. Upon the adoption of any ordinance amending or repealing the terms of a certified Innovation Zone designating ordinance, the municipality or county shall promptly file with the Department an application for approval thereof, containing substantially the same information as required for an application under Section 25 insofar as material to the proposed changes. The municipality or county must hold a public hearing on the proposed changes as specified in Section 20 and, if the amendment is to effectuate the limitation of tax abatements under Section 45, then the public notice of the hearing shall state that property that is in both the Innovation Zone and a redevelopment project area may not receive tax abatements unless within 60 days after the adoption of the abatement to the designating ordinance the municipality has determined that eligibility for tax abatements has been established,

(5) Include an area within another municipality or county as part of the designated Innovation Zone provided the requirements of Section 15 are met.

(6) Effectuate the limitation of tax abatements under Section 45.

No amendment of a certified Innovation Zone designating ordinance is required if the sole change is the addition of new partners to the Memorandum of Understanding or Partnership Agreement that was submitted to the Department as part of the original application to the Department. The Zone Administrator shall provide timely written notification to the Department of the names of any new partners that are added to the Memorandum of Understanding or Partnership Agreement.

(b) The Department shall approve or disapprove a proposed amendment to a certified Innovation Zone within 60 days after its receipt of the application from the municipality or county. The Department may not approve changes in a Zone that are not in conformity with this Act or with other applicable laws. If the Department issues an amended certificate for an Innovation Zone, the amended certificate, together with the amended Zone designating ordinance, shall be filed, recorded, and transmitted as provided in Section 35. If the Department does not take any action to approve or disapprove a proposed amendment to a certified Innovation Zone within 90 days after its receipt, then the proposed amendment will be deemed to be approved and shall take effect.

(c) An Innovation Zone may be decertified by joint action of the Department and the designating county or municipality in accordance with this Section. The designating county or municipality shall conduct at least one public hearing within the Zone prior to its adoption of an ordinance of de-designation. The mayor of the designating municipality or the chairperson of the county board of the designating county shall execute a joint decertification agreement with the Department. A decertification of an Innovation Zone shall not become effective until at least 6 months after the execution of the decertification agreement, which shall be filed in the office of the Secretary of State.

(d) An Innovation Zone may be decertified for cause by the Department in accordance with this Section. Prior to the decertification: (i) the Department shall notify the chief elected official of the designating county or municipality in writing of the specific deficiencies that provide cause for decertification; (ii) the Department shall place the designating county or municipality on probationary status for at least 6 months during which time corrective action may be achieved in the Innovation

Zone by the designating county or municipality; and (iii) the Department shall conduct at least one public hearing within the Zone. If the corrective action is not achieved during the probationary period, the Department shall issue an amended certificate signed by the Director of the Department decertifying the Innovation Zone, which certificate shall be filed in the office of the Secretary of State. A certified copy of the amended Innovation Zone certificate, or a duplicate original thereof, shall be recorded in the office of recorder of the county in which the Innovation Zone lies and shall be provided to the chief elected official of the designating county or municipality. Certification of an Innovation Zone shall not become effective until 60 days after the date of filing.

(e) In the event of a decertification or an amendment reducing the length of the term or the area of an Innovation Zone or the adoption of an ordinance reducing or eliminating tax benefits in an Innovation Zone all benefits previously extended within the Zone pursuant to this Act or pursuant to any other Illinois law providing benefits specifically to or within Innovation Zones shall remain in effect for the original stated term of the Innovation Zone with respect to business enterprises within the Zone on the effective date of such decertification or amendment.

(f) Except as otherwise provided in this Act, with respect to business enterprises that are proposed or under development within a Zone at the time of a decertification or an amendment reducing the length of the term of the Zone, or excluding from the Zone area the site of the proposed enterprise, or an ordinance reducing or eliminating tax benefits in a Zone, or excluding from the Zone area the site of the proposed enterprise, or an ordinance reducing or eliminating tax benefits in a Zone, such business enterprise shall be entitled to the benefits previously applicable within the Zone for the original stated term of the Zone, if the business enterprise establishes:

(1) that the proposed business enterprise expansion has been committed to be located within the Zone;

(2) that substantial and binding financial obligations have been made towards the development of the enterprise; and

(3) that the commitments have been made in reasonable reliance on the benefits and programs that were to have been applicable to the enterprise by reason of the Zone, including in the case of a reduction in term of a Zone, the original length of the term.

In declaratory judgment actions under this Section, the Department and the designating municipality or county shall be necessary parties.

Section 45. Adoption of tax increment financing.

(a) If (i) a redevelopment project area is, will be, or has been created by a municipality under Division 74.4 of the Illinois Municipal Code, (ii) the redevelopment project area containing property that is located in an Innovation Zone, (iii) the municipality adopts an amendment to the Innovation Zone designating ordinance pursuant to Section 40 of this Act specifically concerning the abatement of taxes on property located within a redevelopment project area created pursuant to Division 74.4 of the Illinois Municipal Code, and (iv) the Department certifies the ordinance amendment, then the property that is located in both the Innovation Zone and the redevelopment project area shall not be eligible for the abatement of taxes under Section 18-170 of the Property Tax Code.

No business or expansion or individual, however, that has constructed a new improvement or renovated or rehabilitated an existing improvement and has received an abatement on the improvement under Section 18-170 of the Property Tax Code may be denied any benefit previously extended within the Zone under this Act or under any other Illinois law providing benefits specifically to or within Innovation Zones. If the business or individual presents evidence to the municipality, then within 30 days after the adoption by the municipality of an amendment to the designating ordinance, the sufficiency of which must be determined by findings of the corporate authorities made within 30 days after the receipt of such evidence by the municipality, that before the date of the notice of the public hearing provided by the municipality regarding the amendment to the designating ordinance (i) the business or expansion or individual was committed to locate within the Innovation Zone, (ii) substantial and binding financial obligations were made towards the development of the business, and (iii) those commitments were made in reasonable reliance on the benefits and programs that were applicable to the business or individual by reason of the Innovation Zone, then the business or expansion or individual may not be denied any benefit previously extended within the zone under this Act or under any other Illinois law providing benefits specifically to or within Innovation Zones.

(b) This Section applies to all property located within both a redevelopment project area adopted under Division 74.4 of the Illinois Municipal Code and an Innovation Zone even if the redevelopment project area was adopted before the effective date of this Act.

(c) If (i) a redevelopment project is created by a municipality under Division 74.4 of the Illinois Municipal Code and (ii) the redevelopment project area contains property that is located in an Innovation Zone, then the municipality must adopt an amendment to the certified Innovation Zone designating ordinance under Section 40 that property that is located in both the Innovation Zone and the redevelopment project area shall not be eligible for any abatement of taxes under Section 18-170 of the Property Tax Code for new improvements or the renovation or rehabilitation of existing improvements.

(d) In declaratory judgment actions under this Section, the Department and the designating municipality shall be necessary parties.

Section 50. Powers and duties of Department.

(a) The Department shall administer this Act and shall have the following powers and duties:

(1) To monitor the implementation of this Act and any suggestions for legislation to the Director of the Department and the Illinois Innovation Council by December 31 of every calendar year and to annually report to the General Assembly employment, number of business establishments, the dollar value of new construction, and improvements for each Innovation Zone.

(2) To promulgate all necessary rules and regulations to carry out the purposes of this Act in accordance with the Illinois Administrative Procedure Act.

(b) The Department shall provide information and appropriate assistance to persons desiring to locate and engage in business in an Innovation Zone, to persons engage in business in an Innovation Zone and to Designated Zone Organizations operating there.

(c) The Department shall, in cooperation with appropriate units of local government and State agencies, coordinate and streamline existing State business assistance programs and permit and license application procedures for Innovation Zone businesses.

(d) The Department shall publicize existing tax incentives and economic development programs within the Zone and upon request, offer technical assistance in abatement and alternative revenue source development to local units of government which have Innovation Zones within their jurisdiction.

(e) The Department shall provide support and assistance to the members of the Illinois Innovation Council in carrying out their responsibilities and powers established in Section 115 of this Act.

Section 55. State incentives regarding public services and physical infrastructure.

(a) This Act does not restrict tax incentive financing pursuant to the Tax Increment Allocation Redevelopment Act.

(b) Priority in the use of industrial development bonds issued by the Illinois Finance Authority shall be given to businesses located in an Innovation Zone.

(c) The State Treasurer is authorized and encouraged to place deposits of State funds with financial institutions doing business in an Innovation Zone and to encourage angel and venture capital investments in businesses created or located in Innovation Zones.

(d) Priority in the use of business or technology development grant and loan programs, worker training and retraining programs, and any other grant, loan, or assistance programs administered by the Department shall be given to businesses located in an Innovation Zone.

Section 60. Zone administration. The administration of an Innovation Zone shall be under the jurisdiction of the designating municipality or county. Each designating municipality or county shall, by ordinance, designate a Zone Administrator for the certified zones within its jurisdiction. The Zone Administrator must have the capacity to handle the Zone's financial and administrative functions and must have the expertise to facilitate the Zone's efforts at fostering innovation, commercializing research, and creating entrepreneurial opportunities. The Zone Administrator shall be the liaison between the designating municipality or county, the Department, and the Illinois Innovation Council. The Zone Administrator may provide the following services or perform the following functions in coordination with the municipality or county:

(1) Provide or contract for provision of public services.

(2) Exercise authority for the enforcement of any code, permit, or licensing procedure within an Innovation Zone.

(3) Provide a forum for business, education, labor, and government action on Zone innovations.

(4) Receive title to publicly owned land.

(5) Perform such other functions as the responsible government entity may deem appropriate, including offerings and contracts for insurance with businesses within the Zone.

(6) To apply for and Administer any State or federal grant program funds that may be awarded to the Zone for the benefit of business enterprises located in the Zone or any other public or private funds that may be awarded or otherwise received for the benefit of business enterprises or workers within the Zone.

(7) Agree with local governments to provide such public services within the Zones by contracting with private firms and organizations, where feasible and prudent.

(8) Solicit and receive contributions to improve the innovation assets and infrastructure in the Zone.

Section 65. Income tax deduction.

(a) A taxpayer may receive a deduction against income subject to State taxes for a contribution to a designated Zone Organization if the project for which the contribution is made has been specifically approved by the designating municipality or county and by the Department.

(b) Any designated zone organization seeking to have a project approved for contribution must submit an application to the Department describing the nature and benefit of the project and its potential contributors. The designated Zone Organization must be fiscally responsible for the project.

(c) The project must enhance the Innovation Zone in one of the following ways:

(1) by creating permanent jobs;

(2) by furthering the ability of the Zone to attract and develop technology-based business enterprises and entrepreneurs;

(3) by increasing the availability of financial resources that will support the attraction and development of technology-based business enterprises and entrepreneurs, including seed and venture funding; or

(4) by improving the availability of a skilled workforce that will attract and/or support technology-based business enterprises.

(d) If the designated Zone Organization demonstrates its ability to enhance the Zone's activities in one or more of the ways listed in subsection (c) of this Section, then the Department shall approve the organization's proposed projects and specify the amount of contributions that it is eligible to receive for the project. Comments from State elected officials and county and municipal officials in which all or part of the Innovation Zone are located or in which the project is proposed to be located must be solicited by the Department in making its decision.

(e) Within 45 days after the receipt of an application, the Department shall give notice to the applicant as to whether the application has been approved or disapproved. If the Department disapproves the application, then it shall specify the reasons for this decision and allow 60 days for the applicant to amend and resubmit its application. The Department shall provide assistance upon request to applicants. The Department must approve or disapprove resubmitted applications within 30 days after submission. Those resubmitted applications satisfying initial Department objectives must be approved unless reasonable circumstances warrant disapproval.

(f) On an annual basis, the designated Zone Organization shall furnish a statement to the Department on the programmatic and financial status of any approved project and an audited financial statement of the project.

(g) For any project that is approved and for which there is a specified amount of contributions that the designated Zone Organization may receive for an approved project as provided in subsection (d) of this Section, the designated Zone Organization shall provide to the Department any information necessary to determine the eligibility of a contribution to the project for a deduction under Section 203 of the Illinois Income Tax Act. The Department shall certify to the Department of Revenue the taxpayers eligible for and the amounts of contributions which those taxpayers may claim as a deduction under Section 203 of the Illinois Income Tax Act. The total of all actual contributions approved by the Department for deductions under this Section may not exceed $15,400,000 in any one calendar year.

Section 70. State and local regulatory alternatives.

(a) Agencies may provide in their rules for (i) the exemption of business enterprises within Innovation Zones or (ii) modifications or alternatives specifically applicable to business enterprises within Innovation Zones, that impose less stringent standards or alternative standards for compliance, including performance-based standards as a substitute for specific mandates of methods, procedures, or equipment.

Exemptions, modifications, or alternatives shall be effected by rules adopted in accordance with the

Illinois Administrative Procedure Act. The Agency adopting the exemptions, modifications, or alternatives shall file with its proposed rule its findings that the proposed rule provides economic incentives within Innovation Zones that promote the purposes of this Act, and that, to the extent they include any exemptions or reductions in regulatory standards or requirements, outweigh the need or justification for the existing rule.

(b) If any Agency adopts a rule pursuant to subsection (a) of this Section affecting a rule contained on the list published by the Department pursuant to Section 65, prior to the completion of the rule making process for the Department's rules under that Section, the Agency shall immediately transmit a copy of its proposed rule to the Department, together with a statement of reasons as to why the Department should defer to the Agency's proposed rule. Agency rules adopted under subsection (a) of this Section shall, however, be subject to the exemption rules of the Department adopted under Section 65.

(c) Within Innovation Zones, the designating county or municipality may modify all local ordinances and regulations regarding (1) zoning; (2) licensing; (3) building codes, excluding however, any regulations treating building defects; and (4) rent control and price controls, except for the minimum wage. Notwithstanding any shorter statute of limitation to the contrary, actions against any contractor or architect who designs, constructs, or rehabilitates a building or structure in an Innovation Zone in accordance with local standards specifically applicable within Zones that have been relaxed may be commenced within 10 years from the time of beneficial occupancy of the building or use of the structure.

Section 75. Powers and duties. The Department has the power to:

(1) Provide loans from the funds appropriated to a business undertaking a project and accept mortgages or other evidences of indebtedness or security of such business.

(2) Enter into agreements, accept funds or grants, and cooperate with agencies of the federal government, units of local government, and local regional economic development corporations or organizations for the purposes of carrying out this Act.

(3) Enter into contracts, letters of credit, or any other agreements or contracts with financial institutions necessary or desirable to carry out the purposes of this Act. Any such agreement or contract may include, without limitation, terms and provisions relating to a specific project, such as loan documentation, review and approval procedures, organization and servicing rights, default conditions, and other program aspects.

(4) Fix, determine, charge, and collect any premiums, fees, charges, costs and expenses, including application fees, commitment fees, program fees, financing charges, or publication fees in connection with its activities under this Act.

(5) Establish application, notification, contract, and other procedures, rules, or regulations deemed necessary and appropriate.

(6) Subject to the provisions of any contract with another person and consent to the modification or restructuring of any loan agreement to which the Department is a party.

(7) Take any actions that are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or participation provided under this Act, including the power to sell, dispose, lease, or rent, upon terms and conditions determined by the Director to be appropriate, real or personal property that the Department may receive as a result thereof.

(8) Acquire and accept by gift, grant, purchase, or otherwise, but by condemnation, fee simple title, or such lesser interest as may be desired, in land, to improve or arrange for the improvement of that land for industrial or commercial site development purposes, and to lease or convey such land or interest in land so acquired and so improved, including sale and conveyance subject to a mortgage, for such price, upon such terms, and at such time as the Department may determine. Prior to exercising his or her authority under this subsection, the Director must find that other means of financing and developing of any such project are not reasonably available and that such action is consistent with the purposes and policies of this Act.

(9) Exercise such other powers as are necessary or incidental to the foregoing.

Section 80. Loans. Any loan made under this Act:

(1) May be made only if a participating lender, or other funding source including the applicant, also provides a portion of the financing with respect to the project and only if the Department determines, on the basis of all the information available to it, that the project would not be undertaken in Illinois unless the loan is provided. Financing from another funding source may be in the form of a loan, letter of credit, guarantee, loan participation, bond purchase, direct cash payment, or other form approved by the Department.

(2) May finance no more than 25% of the total amount of any single project and may only be approved for amounts not to exceed $2,000,000 for any single project, unless waived by the Director upon a finding that a waiver is appropriate to accomplish the purposes of this Act.

(3) Must be protected by adequate security satisfactory to the Department to secure payment of the loan agreement.

(4) Must be in any principal amount and form and contain any terms and provisions with respect to property insurance, repairs, alterations, payment of taxes and assessments, delinquency charges, default remedies, additional security, and other matters that the Department determines is adequate to protect the public interest.

(5) Must include provisions to call the loan agreement as due and payable if the project is not completed, if the project fails to generate anticipated employment opportunities, or if the business ceases to operate the project.

(6) May be made only after the Department has determined that the loan will cause a project to be undertaken that has the potential to create substantial employment in relation to the principal amount of the loan.

(7) May be made only with a business that has certified the project is a new plant start-up or expansion and is not a relocation of an existing business from another site in Illinois unless that relocation results in substantial employment growth.

Section 85. Loan applications.

(a) Applications for loans must be submitted to the Department on forms and subject to filing fees prescribed by the Department. The Department is not prohibited from soliciting applications. The Department shall conduct any investigation and obtain any information concerning the business as is necessary and diligent to complete a loan agreement. The Department's investigation must include facts about the company's history, job opportunities, stability of employment, past and present condition and structure, actual and pro-forma income statements, present and future market prospects, management qualifications, and any other aspect material to the financing request.

(b) After consideration of this information and after any other action that is deemed appropriate, the Department shall approve or deny the application. If the Department approves the application, its approval must specify the amount of funds to be provided and the loan agreement provisions. The Department shall promptly notify the business of its approval or denial of the application.

Section 90. Innovation Zone Loan Fund.

(a) The Innovation Zone Loan Fund is created as a special fund in the State treasury. The Department is authorized to make loans from the Fund for the purposes established under this Act. The State Treasurer has custody of the Fund and may invest in accordance with his or her statutory authority and investment policy. The purpose of the Fund is to offer loans to finance firms considering the location of a proposed business in a certified Innovation Zone and to provide financing to carry out the purposes and provisions of item (8) of Section 75 of this Act. This financing must be in the form of a loan, mortgage, or other debt instrument. All loans must be conditioned on the project receiving financing from participating lenders or other sources. Loan proceeds must be available for project costs associated with an expansion of business capacity and employment, except for debt refinancing. New ventures shall be considered only if the entity is protected with adequate security with regard to its financing and operation. The limitations and conditions with respect to the use of this Fund do not apply in carrying out the purposes and provisions of item (8) of Section 75 of this Act.

(b) Deposits in the Fund include, but are not limited to:

(1) All receipts, including principal and interest payments, royalties or other payments, from any loan made by the Department under this Law.

(2) All proceeds of assets of whatever nature received by the Department as a result of default and delinquency with respect to loans made under this Law, including proceeds from the sale, disposal, lease or rental of real or personal property which the Department may receive as a result thereof.

(3) Any appropriations, grants or gifts made to the Fund.

(4) Any income received from interest on investments of amounts from the Fund not currently needed to meet the obligations of the Fund.

Section 95. Construction. Nothing in this Act may be construed as creating any rights of a competitor

of an approved borrower or any applicant whose application is denied by the Department to challenge any application which is accepted by the Department and any loan or other agreement executed in connection therewith.

Section 100. Confidentiality. Any documentary materials or data made or received by any member, agent, or employee of the Department is deemed to be confidential and is not a public record to the extent that such materials or data consist of trade secrets, commercial, or financial information regarding the operation of any business conducted by an applicant for or recipient of any form of assistance under this Law or such information regarding the competitive position of such business in a particular field of endeavor.

Section 105. Report. On January 1 of each year, the Department shall report on its operation of the Fund for the preceding fiscal year to the Governor, the General Assembly, and the Illinois Innovation Council.

Section 110. Federal programs. The Department is authorized to accept and expend federal moneys pursuant to this Law except that the terms and conditions hereunder that are inconsistent with or prohibited by federal authorization under which such moneys are made available do apply with respect to the expenditure of such moneys.

Section 115. Illinois Innovation Council.

(a) The Illinois Innovation Council, referred to in this Act as the Council, is created to promote cooperation and collaboration among the designated Innovation Zones within the State. The Department shall provide support and assistance to the members of the Council. The Council is charged with the responsibility of assisting the Department with creating a long term strategy based on innovation, designed to foster the creation and growth of technology-based businesses, encourage entrepreneurship and new job creation and investment, maximize the State's technology-based assets and infrastructure, and support public-private partnerships that can attract and support these targeted job creation and investment activities.

(b) The Council shall be composed of the following persons:

(1) One representative of each Innovation Zone that has been designated by the Department, selected by the Zone Administrator of each respective Zone.

(2) One representative of each public and private institution of higher education that has executed a formal agreement to participate in a designated Zone or Zones, selected by each institution of higher education.

(3) One representative of each national laboratory that conducts research that can be commercialized and that has executed a formal agreement to participate in a designated Zone or Zones, selected by the national laboratory.

(4) One representative of the Department, selected by the Department, who shall serve as an ex officio member of the Council.

(c) The Council has the following responsibilities and powers:

(1) to assist the Department's efforts to identify and analyze key innovation assets in the State to determine their potential for job and wealth creation;

(2) to propose an appropriate State role in technology-based economic development, technology commercialization, entrepreneurial development, venture capital formation, and research and development;

(3) to evaluate the performance of existing State technology-based economic development efforts for consistency, effectiveness and coordination, as well as for their effect on fostering innovation and creating new technology jobs, and to evaluate the long-term benefits to the State of these efforts;

(4) to assist the Department's efforts to develop geographic Zones that have unique development opportunities and incentives for innovation and the creation of technology jobs;

(5) to assist the Department's efforts to target technology-based industry cluster development in the State;

(6) to facilitate the communication, cooperation, and collaboration among the State's designated Innovation Zones;

(7) to make specific recommendations to the Department, the Governor, and the General Assembly on new programs that would support innovation, technology job creation, and business development in designated Zones, legal or administrative rules that are hindering development in the

Zones, and any additional measures that the State could undertake to support the development of the State's innovation infrastructure and assets that support the commercialization of research and new job creation; and

(8) to establish a Business Advisory Subcommittee comprised of representatives of business enterprises located in designated Innovation Zones to ensure that business input is provided to the Council in fulfilling its responsibilities and powers and to provide expertise on the impact of policies and regulations, obstacles to development, market and industry trends, and other topics that directly or indirectly impact the Zones' ability to attract and retain technology-based business enterprises and entrepreneurs.

(d) The Council shall meet quarterly or at the call of a majority of the members or at the request of the Department. Members shall serve without compensation but may be reimbursed for expenses.

Section 900. The State Finance Act is amended by adding Section 5.719 as follows:

(30 ILCS 105/5.719 new)

Sec. 5.719. The Innovation Zone Loan Fund.

Section 905. The Illinois Income Tax Act is amended by changing Section 201 and by adding Section 218 as follows:

(35 ILCS 5/201) (from Ch. 120, par. 2-201)

Sec. 201. Tax Imposed.

(a) In general. A tax measured by net income is hereby imposed on every individual, corporation, trust and estate for each taxable year ending after July 31, 1969 on the privilege of earning or receiving income in or as a resident of this State. Such tax shall be in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(b) Rates. The tax imposed by subsection (a) of this Section shall be determined as follows, except as adjusted by subsection (d-1):

(1) In the case of an individual, trust or estate, for taxable years ending prior to July 1, 1989, an amount equal to 2 1/2% of the taxpayer's net income for the taxable year.

(2) In the case of an individual, trust or estate, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 2 1/2% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 3% of the taxpayer's net income for the period after June 30, 1989, as calculated under Section 202.3.

(3) In the case of an individual, trust or estate, for taxable years beginning after June 30, 1989, an amount equal to 3% of the taxpayer's net income for the taxable year.

(4) (Blank).

(5) (Blank).

(6) In the case of a corporation, for taxable years ending prior to July 1, 1989, an amount equal to 4% of the taxpayer's net income for the taxable year.

(7) In the case of a corporation, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 4% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 4.8% of the taxpayer's net income for the period after June 30, 1989, as calculated under Section 202.3.

(8) In the case of a corporation, for taxable years beginning after June 30, 1989, an amount equal to 4.8% of the taxpayer's net income for the taxable year.

(c) Personal Property Tax Replacement Income Tax. Beginning on July 1, 1979 and thereafter, in addition to such income tax, there is also hereby imposed the Personal Property Tax Replacement Income Tax measured by net income on every corporation (including Subchapter S corporations), partnership and trust, for each taxable year ending after June 30, 1979. Such taxes are imposed on the privilege of earning or receiving income in or as a resident of this State. The Personal Property Tax Replacement Income Tax shall be in addition to the income tax imposed by subsections (a) and (b) of this Section and in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(d) Additional Personal Property Tax Replacement Income Tax Rates. The personal property tax replacement income tax imposed by this subsection and subsection (c) of this Section in the case of a corporation, other than a Subchapter S corporation and except as adjusted by subsection (d-1), shall be an additional amount equal to 2.85% of such taxpayer's net income for the taxable year, except that beginning on January 1, 1981, and thereafter, the rate of 2.85% specified in this subsection shall be reduced to 2.5%, and in the case of a partnership, trust or a Subchapter S corporation shall be an additional amount equal to 1.5% of such taxpayer's net income for the taxable year.

(d-1) Rate reduction for certain foreign insurers. In the case of a foreign insurer, as defined by Section 35A-5 of the Illinois Insurance Code, whose state or country of domicile imposes on insurers domiciled in Illinois a retaliatory tax (excluding any insurer whose premiums from reinsurance assumed are 50% or more of its total insurance premiums as determined under paragraph (2) of subsection (b) of Section 304, except that for purposes of this determination premiums from reinsurance do not include premiums from inter-affiliate reinsurance arrangements), beginning with taxable years ending on or after December 31, 1999, the sum of the rates of tax imposed by subsections (b) and (d) shall be reduced (but not increased) to the rate at which the total amount of tax imposed under this Act, net of all credits allowed under this Act, shall equal (i) the total amount of tax that would be imposed on the foreign insurer's net income allocable to Illinois for the taxable year by such foreign insurer's state or country of domicile if that net income were subject to all income taxes and taxes measured by net income imposed by such foreign insurer's state or country of domicile, net of all credits allowed or (ii) a rate of zero if no such tax is imposed on such income by the foreign insurer's state of domicile. For the purposes of this subsection (d-1), an inter-affiliate includes a mutual insurer under common management.

(1) For the purposes of subsection (d-1), in no event shall the sum of the rates of tax imposed by subsections (b) and (d) be reduced below the rate at which the sum of:

(A) the total amount of tax imposed on such foreign insurer under this Act for a taxable year, net of all credits allowed under this Act, plus

(B) the privilege tax imposed by Section 409 of the Illinois Insurance Code, the fire insurance company tax imposed by Section 12 of the Fire Investigation Act, and the fire department taxes imposed under Section 11-10-1 of the Illinois Municipal Code,

equals 1.25% for taxable years ending prior to December 31, 2003, or 1.75% for taxable years ending on or after December 31, 2003, of the net taxable premiums written for the taxable year, as described by subsection (1) of Section 409 of the Illinois Insurance Code. This paragraph will in no event increase the rates imposed under subsections (b) and (d).

(2) Any reduction in the rates of tax imposed by this subsection shall be applied first against the rates imposed by subsection (b) and only after the tax imposed by subsection (a) net of all credits allowed under this Section other than the credit allowed under subsection (i) has been reduced to zero, against the rates imposed by subsection (d).

This subsection (d-1) is exempt from the provisions of Section 250.

(e) Investment credit. A taxpayer shall be allowed a credit against the Personal Property Tax Replacement Income Tax for investment in qualified property.

(1) A taxpayer shall be allowed a credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1984. There shall be allowed an additional credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1986, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. The provisions added to this Section by Public Act 85-1200 (and restored by Public Act 87-895) shall be construed as declaratory of existing law and not as a new enactment. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is .5% and the denominator of which is 1%, but shall not exceed .5%. The investment credit shall not be allowed to the extent that it would reduce a taxpayer's liability in any tax year below zero, nor may any credit for qualified property be allowed for any year other than the year in which the property was placed in service in Illinois. For tax years ending on or after December 31, 1987, and on or before December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years if the taxpayer (i) makes investments which cause the creation of a minimum of 2,000 full-time equivalent jobs in Illinois, (ii) is located in an enterprise zone established pursuant to the Illinois Enterprise Zone Act, ~~and~~ (iii) is certified by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) as complying with the requirements specified in clause (i) and (ii) by July 1, 1986 , or (iv) is located in an Innovation Zone established pursuant to the Illinois Innovation Zone Act. The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall notify the Department of Revenue of all such

certifications immediately. For tax years ending after December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, earlier credit shall be applied first.

(2) The term "qualified property" means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings and signs that are real property, but not including land or improvements to real property that are not a structural component of a building such as landscaping, sewer lines, local access roads, fencing, parking lots, and other appurtenances;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (e);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code;

(D) is used in Illinois by a taxpayer who is primarily engaged in manufacturing, or in mining coal or fluorite, or in retailing, <u>or in the provision of advanced healthcare services or treatments,</u> or was placed in service on or after July 1, 2006 in a River Edge Redevelopment Zone established pursuant to the River Edge Redevelopment Zone Act<u>, or was placed in service on or after July 1, 2009 in an Innovation Zone established pursuant to the Illinois Innovation Zone Act</u>; and

(E) has not previously been used in Illinois in such a manner and by such a person as would qualify for the credit provided by this subsection (e) or subsection (f).

(3) For purposes of this subsection (e), "manufacturing" means the material staging and production of tangible personal property by procedures commonly regarded as manufacturing, processing, fabrication, or assembling which changes some existing material into new shapes, new qualities, or new combinations. For purposes of this subsection (e) the term "mining" shall have the same meaning as the term "mining" in Section 613(c) of the Internal Revenue Code. For purposes of this subsection (e), the term "retailing" means the sale of tangible personal property or services rendered in conjunction with the sale of tangible consumer goods or commodities. <u>For the purposes of this subsection (e), "advanced healthcare services or treatments" means the direct treatment of patients using advanced medical equipment that is located in a facility in an Innovation Zone that conducts research and development activities with a State university utilizing the advanced medical equipment.</u>

(4) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(5) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(6) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(7) If during any taxable year, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the Personal Property Tax Replacement Income Tax for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation and, (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (7), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(8) Unless the investment credit is extended by law, the basis of qualified property shall not include costs incurred after December 31, 2008, except for costs incurred pursuant to a binding contract entered into on or before December 31, 2008.

(9) Each taxable year ending before December 31, 2000, a partnership may elect to pass through to its partners the credits to which the partnership is entitled under this subsection (e) for the taxable year. A partner may use the credit allocated to him or her under this paragraph only against the tax imposed in subsections (c) and (d) of this Section. If the partnership makes that election, those

credits shall be allocated among the partners in the partnership in accordance with the rules set forth in Section 704(b) of the Internal Revenue Code, and the rules promulgated under that Section, and the allocated amount of the credits shall be allowed to the partners for that taxable year. The partnership shall make this election on its Personal Property Tax Replacement Income Tax return for that taxable year. The election to pass through the credits shall be irrevocable.

For taxable years ending on or after December 31, 2000, a partner that qualifies its partnership for a subtraction under subparagraph (I) of paragraph (2) of subsection (d) of Section 203 or a shareholder that qualifies a Subchapter S corporation for a subtraction under subparagraph (S) of paragraph (2) of subsection (b) of Section 203 shall be allowed a credit under this subsection (e) equal to its share of the credit earned under this subsection (e) during the taxable year by the partnership or Subchapter S corporation, determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. This paragraph is exempt from the provisions of Section 250.

(f) Investment credit; Enterprise Zone; River Edge Redevelopment Zone; Innovation Zone.

(1) A taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service in an Enterprise Zone created pursuant to the Illinois Enterprise Zone Act or, for property placed in service on or after July 1, 2006, a River Edge Redevelopment Zone established pursuant to the River Edge Redevelopment Zone Act or, for investment in qualified property which is placed in service in an Innovation Zone created pursuant to the Illinois Innovation Zone Act. For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (f) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. The credit shall be .5% of the basis for such property. The credit shall be available only in the taxable year in which the property is placed in service in the Enterprise Zone or River Edge Redevelopment Zone or Innovation Zone and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1985, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, the credit accruing first in time shall be applied first.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (f);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code;

(D) is used in the Enterprise Zone or River Edge Redevelopment Zone or Innovation Zone by the taxpayer; and

(E) has not been previously used in Illinois in such a manner and by such a person as would qualify for the credit provided by this subsection (f) or subsection (e).

(3) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in the Enterprise Zone or River Edge Redevelopment Zone or Innovation Zone by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside the Enterprise Zone or River Edge Redevelopment Zone or Innovation Zone within 48 months after being placed in service, the tax imposed under subsections (a) and (b) of this Section for such taxable year shall be increased. Such increase shall be determined by (i)

recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation, and (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (6), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(7) There shall be allowed an additional credit equal to 0.5% of the basis of qualified property placed in service during the taxable year in a River Edge Redevelopment Zone, provided such property is placed in service on or after July 1, 2006, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is 0.5% and the denominator of which is 1%, but shall not exceed 0.5%.

(8) There shall be allowed an additional credit equal to 0.5% of the basis of qualified property placed in service during the taxable year in an Innovation Zone, provided such property is placed in service on or after July 1, 2009, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is 0.5% and the denominator of which is 1%, but shall not exceed 0.5%.

(g) Jobs Tax Credit; Enterprise Zone, River Edge Redevelopment Zone, ~~and~~ Foreign Trade Zone or Sub-Zone , and Innovation Zone.

(1) A taxpayer conducting a trade or business in an enterprise zone or an Innovation Zone or a High Impact Business designated by the Department of Commerce and Economic Opportunity or for taxable years ending on or after December 31, 2006, in a River Edge Redevelopment Zone conducting a trade or business in a federally designated Foreign Trade Zone or Sub-Zone shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section in the amount of $500 per eligible employee hired to work in the zone during the taxable year.

(2) To qualify for the credit:

(A) the taxpayer must hire 5 or more eligible employees to work in an enterprise zone, River Edge Redevelopment Zone, an Innovation Zone, or federally designated Foreign Trade Zone or Sub-Zone during the taxable year;

(B) the taxpayer's total employment within the enterprise zone, Innovation Zone, River Edge Redevelopment Zone, or federally designated Foreign Trade Zone or Sub-Zone must increase by 5 or more full-time employees beyond the total employed in that zone at the end of the previous tax year for which a jobs tax credit under this Section was taken, or beyond the total employed by the taxpayer as of December 31, 1985, whichever is later; and

(C) the eligible employees must be employed 180 consecutive days in order to be deemed hired for purposes of this subsection.

(3) An "eligible employee" means an employee who is:

(A) Certified by the Department of Commerce and Economic Opportunity as "eligible for services" pursuant to regulations promulgated in accordance with Title II of the Job Training Partnership Act, Training Services for the Disadvantaged or Title III of the Job Training Partnership Act, Employment and Training Assistance for Dislocated Workers Program.

(B) Hired after the enterprise zone, Innovation Zone, River Edge Redevelopment Zone, or federally designated Foreign Trade Zone or Sub-Zone was designated or the trade or business was located in that zone, whichever is later.

(C) Employed in the enterprise zone, Innovation Zone, River Edge Redevelopment Zone, or Foreign Trade Zone or Sub-Zone. An employee is employed in an enterprise zone or an Innovation Zone, or federally designated Foreign Trade Zone or Sub-Zone if his services are rendered there or it is the base of operations for the services performed.

(D) A full-time employee working 30 or more hours per week.

(4) For tax years ending on or after December 31, 1985 and prior to December 31, 1988, the credit shall be allowed for the tax year in which the eligible employees are hired. For tax years ending on or after December 31, 1988, the credit shall be allowed for the tax year immediately following the tax year in which the eligible employees are hired. If the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, earlier credit shall be applied first.

(5) The Department of Revenue shall promulgate such rules and regulations as may be deemed necessary to carry out the purposes of this subsection (g).

(6) The credit shall be available for eligible employees hired on or after January 1, 1986.

(h) Investment credit; High Impact Business.

(1) Subject to subsections (b) and (b-5) of Section 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service by a Department of Commerce and Economic Opportunity designated High Impact Business. The credit shall be .5% of the basis for such property. The credit shall not be available (i) until the minimum investments in qualified property set forth in subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act have been satisfied or (ii) until the time authorized in subsection (b-5) of the Illinois Enterprise Zone Act for entities designated as High Impact Businesses under subdivisions (a)(3)(B), (a)(3)(C), and (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone Act, and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. The credit applicable to such investments shall be taken in the taxable year in which such investments have been completed. The credit for additional investments beyond the minimum investment by a designated high impact business authorized under subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act shall be available only in the taxable year in which the property is placed in service and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1987, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, the credit accruing first in time shall be applied first.

Changes made in this subdivision (h)(1) by Public Act 88-670 restore changes made by Public Act 85-1182 and reflect existing law.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (h);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code; and

(D) is not eligible for the Enterprise Zone Investment Credit provided by subsection (f) of this Section.

(3) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in a federally designated Foreign Trade Zone or Sub-Zone located in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year ending on or before December 31, 1996, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in

service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the tax imposed under subsections (a) and (b) of this Section for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation, and (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (6), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(7) Beginning with tax years ending after December 31, 1996, if a taxpayer qualifies for the credit under this subsection (h) and thereby is granted a tax abatement and the taxpayer relocates its entire facility in violation of the explicit terms and length of the contract under Section 18-183 of the Property Tax Code, the tax imposed under subsections (a) and (b) of this Section shall be increased for the taxable year in which the taxpayer relocated its facility by an amount equal to the amount of credit received by the taxpayer under this subsection (h).

(i) Credit for Personal Property Tax Replacement Income Tax. For tax years ending prior to December 31, 2003, a credit shall be allowed against the tax imposed by subsections (a) and (b) of this Section for the tax imposed by subsections (c) and (d) of this Section. This credit shall be computed by multiplying the tax imposed by subsections (c) and (d) of this Section by a fraction, the numerator of which is base income allocable to Illinois and the denominator of which is Illinois base income, and further multiplying the product by the tax rate imposed by subsections (a) and (b) of this Section.

Any credit earned on or after December 31, 1986 under this subsection which is unused in the year the credit is computed because it exceeds the tax liability imposed by subsections (a) and (b) for that year (whether it exceeds the original liability or the liability as later amended) may be carried forward and applied to the tax liability imposed by subsections (a) and (b) of the 5 taxable years following the excess credit year, provided that no credit may be carried forward to any year ending on or after December 31, 2003. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability the earliest credit arising under this subsection shall be applied first.

If, during any taxable year ending on or after December 31, 1986, the tax imposed by subsections (c) and (d) of this Section for which a taxpayer has claimed a credit under this subsection (i) is reduced, the amount of credit for such tax shall also be reduced. Such reduction shall be determined by recomputing the credit to take into account the reduced tax imposed by subsections (c) and (d). If any portion of the reduced amount of credit has been carried to a different taxable year, an amended return shall be filed for such taxable year to reduce the amount of credit claimed.

(j) Training expense credit. Beginning with tax years ending on or after December 31, 1986 and prior to December 31, 2003, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) under this Section for all amounts paid or accrued, on behalf of all persons employed by the taxpayer in Illinois or Illinois residents employed outside of Illinois by a taxpayer, for educational or vocational training in semi-technical or technical fields or semi-skilled or skilled fields, which were deducted from gross income in the computation of taxable income. The credit against the tax imposed by subsections (a) and (b) shall be 1.6% of such training expenses. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (j) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

Any credit allowed under this subsection which is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first computed until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability the earliest credit arising under this subsection shall be applied first. No carryforward credit may be claimed in any tax year ending on or after December 31, 2003.

(k) Research and development credit.

For tax years ending after July 1, 1990 and prior to December 31, 2003, and beginning again for tax years ending on or after December 31, 2004, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for increasing research activities in this State. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 6 1/2% of the qualifying expenditures for increasing research activities in this State. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this

subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

For purposes of this subsection, "qualifying expenditures" means the qualifying expenditures as defined for the federal credit for increasing research activities which would be allowable under Section 41 of the Internal Revenue Code and which are conducted in this State, "qualifying expenditures for increasing research activities in this State" means the excess of qualifying expenditures for the taxable year in which incurred over qualifying expenditures for the base period, "qualifying expenditures for the base period" means the average of the qualifying expenditures for each year in the base period, and "base period" means the 3 taxable years immediately preceding the taxable year for which the determination is being made.

Any credit in excess of the tax liability for the taxable year may be carried forward. A taxpayer may elect to have the unused credit shown on its final completed return carried over as a credit against the tax liability for the following 5 taxable years or until it has been fully used, whichever occurs first; provided that no credit earned in a tax year ending prior to December 31, 2003 may be carried forward to any year ending on or after December 31, 2003.

If an unused credit is carried forward to a given year from 2 or more earlier years, that credit arising in the earliest year will be applied first against the tax liability for the given year. If a tax liability for the given year still remains, the credit from the next earliest year will then be applied, and so on, until all credits have been used or no tax liability for the given year remains. Any remaining unused credit or credits then will be carried forward to the next following year in which a tax liability is incurred, except that no credit can be carried forward to a year which is more than 5 years after the year in which the expense for which the credit is given was incurred.

No inference shall be drawn from this amendatory Act of the 91st General Assembly in construing this Section for taxable years beginning before January 1, 1999.

For tax years ending on or after December 31, 2009, an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, qualifies for a credit under this subsection (k) for (i) research conducted after the beginning of commercial production; (ii) research adapting an existing product or process to a particular customer's need; (iii) surveys or studies; (iv) research in social sciences, arts, or humanities; or (v) research funded by another person or government entity.

(l) Environmental Remediation Tax Credit.

(i) For tax years ending after December 31, 1997 and on or before December 31, 2001, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14 of the Environmental Protection Act that were paid in performing environmental remediation at a site for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. After the Pollution Control Board rules are adopted pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act, determinations as to credit availability for purposes of this Section shall be made consistent with those rules. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site, except that the $100,000 threshold shall not apply to any site contained in an enterprise zone as determined by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity). The total credit allowed shall not exceed $40,000 per year with a maximum total of $150,000 per site. For partners and shareholders of subchapter S corporations, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is

first earned until it is used. The term "unused credit" does not include any amounts of unreimbursed eligible remediation costs in excess of the maximum credit per site authorized under paragraph (i). This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. A credit allowed under this subsection may be sold to a buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(m) Education expense credit. Beginning with tax years ending after December 31, 1999, a taxpayer who is the custodian of one or more qualifying pupils shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for qualified education expenses incurred on behalf of the qualifying pupils. The credit shall be equal to 25% of qualified education expenses, but in no event may the total credit under this subsection claimed by a family that is the custodian of qualifying pupils exceed $500. In no event shall a credit under this subsection reduce the taxpayer's liability under this Act to less than zero. This subsection is exempt from the provisions of Section 250 of this Act.

For purposes of this subsection:

"Qualifying pupils" means individuals who (i) are residents of the State of Illinois, (ii) are under the age of 21 at the close of the school year for which a credit is sought, and (iii) during the school year for which a credit is sought were full-time pupils enrolled in a kindergarten through twelfth grade education program at any school, as defined in this subsection.

"Qualified education expense" means the amount incurred on behalf of a qualifying pupil in excess of $250 for tuition, book fees, and lab fees at the school in which the pupil is enrolled during the regular school year.

"School" means any public or nonpublic elementary or secondary school in Illinois that is in compliance with Title VI of the Civil Rights Act of 1964 and attendance at which satisfies the requirements of Section 26-1 of the School Code, except that nothing shall be construed to require a child to attend any particular public or nonpublic school to qualify for the credit under this Section.

"Custodian" means, with respect to qualifying pupils, an Illinois resident who is a parent, the parents, a legal guardian, or the legal guardians of the qualifying pupils.

(n) River Edge Redevelopment Zone site remediation tax credit.

(i) For tax years ending on or after December 31, 2006, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14a of the Environmental Protection Act that were paid in performing environmental remediation at a site within a River Edge Redevelopment Zone for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. Determinations as to credit availability for purposes of this Section shall be made consistent with rules adopted by the Pollution Control Board pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is

first earned until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. A credit allowed under this subsection may be sold to a buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(iv) This subsection is exempt from the provisions of Section 250.

(Source: P.A. 94-1021, eff. 7-12-06; 95-454, eff. 8-27-07.)

(35 ILCS 5/218 new)

Sec. 218. Innovation Zone investment tax credit.

(a) Any taxpayer primarily engaged in technology-based activities and innovation within a designated Innovation Zone that pays its employees that work a minimum of 30 hours per week within the State a median annual wage equal or greater than 125% of the average annual wage paid by all employers in the State to employees that work a minimum of 30 hours per week within the State and that provides benefits typical to the technology industry, is allowed a credit of 10% of the cost or other basis for federal tax purposes of tangible personal property and other tangible property, including buildings and structural components of buildings acquired, constructed, reconstructed, or leased with situs in Illinois and principally used in technology-based activities and processes after December 31, 2009.

For the purposes of this subsection (a):

"Employees" means those that work a minimum of 30 hours per week within the State with benefits typical to the technology-based industry.

"Principally engaged in technology-based activities and processes" means the company's sales of technology-based products, services or costs related to the development of technology-based products and services constitute at least 50% of its overall receipts or its overall costs respectively

"Tangible personal property" and "other tangible property" includes buildings and structural components of buildings acquired, constructed, reconstructed, or leased with situs in Illinois and principally used in the production of technology-based products or services:

(1) is depreciable pursuant to 26 U.S.C. 167.

(2) has a useful life of 4 years or more, and

(3)is acquired by purchase as defined in 26 U.S.C. 179(d), or

(4) is acquired by lease based on the fair market value of the property at the inception of the lease times the portion of the depreciable life of the property represented by the term of the lease, excluding renewal options, for a term of 20 years; and

(5) does not include vehicles or furniture.

"Wages" means all remuneration paid for personal services, including commissions and bonuses and the cash value of all remuneration paid in any medium other than cash and all other remuneration which is defined as taxable wages by the Internal Revenue Service, as certified by the department of labor and training.

(b) Except as provided under subsection (c) of this Section, if the amount of credit allowable for any taxable year is less than the amount of credit available to the taxpayer, then any amount of credit not used in the taxable year will be available the following year or years not to exceed 15 years and may be deducted from the taxpayer's tax for the year or years. (c) The credit may be extended beyond 7 years only in a year in which:

(1) the company maintains an average quarterly number of employees for each calendar year that is 9.5% greater than average quarter number of employees in the 4th year of the initial credit;

(2) the company's average quarterly medium wage is not less than the company's average of its quarterly median wage for the 3 previous calendar years;

(3) the company pays its employees a median annual wage equal or greater than 125% of the average annual wage paid by all employers in the State; and

(4) the Department certifies to the Department of Revenue that the criteria in items (1) through (3) of this subsection (b) have been met.

Unused credits after the 7th year are forfeited permanently if any of these wage and employment criteria are unmet after the 7th year.

The taxpayer may determine the order in which the credits generated in different tax years are used, provided that credits available for more than 7 years may not reduce current year liability by more than 75%.

Section 910. The Economic Development for a Growing Economy Tax Credit Act is amended by adding Section 5-23 as follows:

(35 ILCS 10/5-23 new)

Sec. 5-23. Economic development for a growing economy tax credit program.

(a) Notwithstanding any other provision of law, any Taxpayer proposing a project located or planned to be located in Illinois may enter into an agreement with the Department under Section 5-50 of this Act, by formal written letter of request or by formal application to the Department, in which the Applicant states its intent to make at least a specified level of investment and intends to hire or retain a specified number of full-time employees at Innovation Zone, as that term is defined in the Illinois Innovation Zone Act. As circumstances require, the Department may require a formal application from an Applicant and a formal letter of request for assistance.

(b) In order to qualify for Credits under this Act, an Applicant's project must:

(1) be situated in an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act; and

(2) involve an investment of at least $1,000,000 in capital improvements to be placed in service and to employ at least 5 new employees within the State as a direct result of the project.

(c) After receipt of an application, the Department may enter into an Agreement with the Applicant if the application is reviewed and accepted by the Business Investment Committee established in Section 5-25. The Department shall give priority consideration in approving Economic Development for a Growing Economy tax credits for all applications meeting the criteria set forth above which are located in an innovation zone.

Section 915. The Use Tax Act is amended by changing Section 3-5 as follows:

(35 ILCS 105/3-5) (from Ch. 120, par. 439.3-5)

Sec. 3-5. Exemptions. Use of the following tangible personal property is exempt from the tax imposed by this Act:

(1) Personal property purchased from a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(2) Personal property purchased by a not-for-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after the effective date of this amendatory Act of the 92nd General Assembly, however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Personal property purchased by a governmental body, by a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, or by a not-for-profit corporation, society, association, foundation, institution, or organization that has no compensated officers or employees and that is organized and operated primarily for the recreation of persons 55 years of age or older. A limited liability company may qualify for the exemption under this paragraph only if the limited liability company is organized and operated exclusively for educational purposes. On and after July 1, 1987, however, no entity otherwise eligible for this exemption shall make tax-free purchases unless it has an active exemption identification number issued by the Department.

(5) Until July 1, 2003, a passenger car that is a replacement vehicle to the extent that the purchase price of the car is subject to the Replacement Vehicle Tax.

(6) Until July 1, 2003 and beginning again on September 1, 2004, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order, certified by the purchaser to be used primarily for graphic arts production, and

including machinery and equipment purchased for lease. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product.

(7) Farm chemicals.

(8) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(9) Personal property purchased from a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(10) A motor vehicle of the first division, a motor vehicle of the second division that is a self-contained motor vehicle designed or permanently converted to provide living quarters for recreational, camping, or travel use, with direct walk through to the living quarters from the driver's seat, or a motor vehicle of the second division that is of the van configuration designed for the transportation of not less than 7 nor more than 16 passengers, as defined in Section 1-146 of the Illinois Vehicle Code, that is used for automobile renting, as defined in the Automobile Renting Occupation and Use Tax Act.

(11) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (11). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals. This item (11) is exempt from the provisions of Section 3-90.

(12) Fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

(13) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages purchased at retail from a retailer, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(14) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(15) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(16) Until July 1, 2003, coal exploration, mining, offhighway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(17) Until July 1, 2003, distillation machinery and equipment, sold as a unit or kit, assembled or installed by the retailer, certified by the user to be used only for the production of ethyl alcohol that will be used for consumption as motor fuel or as a component of motor fuel for the personal use of the user,

and not subject to sale or resale.

(18) Manufacturing and assembling machinery and equipment used primarily in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, whether that sale or lease is made directly by the manufacturer or by some other person, whether the materials used in the process are owned by the manufacturer or some other person, or whether that sale or lease is made apart from or as an incident to the seller's engaging in the service occupation of producing machines, tools, dies, jigs, patterns, gauges, or other similar items of no commercial value on special order for a particular purchaser.

(19) Personal property delivered to a purchaser or purchaser's donee inside Illinois when the purchase order for that personal property was received by a florist located outside Illinois who has a florist located inside Illinois deliver the personal property.

(20) Semen used for artificial insemination of livestock for direct agricultural production.

(21) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (21) is exempt from the provisions of Section 3-90, and the exemption provided for under this item (21) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008.

(22) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(23) Personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active sales tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(24) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(25) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including but not limited to municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(26) Beginning July 1, 1999, game or game birds purchased at a "game breeding and hunting preserve

area" or an "exotic game hunting area" as those terms are used in the Wildlife Code or at a hunting enclosure approved through rules adopted by the Department of Natural Resources. This paragraph is exempt from the provisions of Section 3-90.

(27) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(28) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-90.

(29) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-90.

(30) Beginning January 1, 2001 and through June 30, 2011, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article 5 of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act.

(31) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-90.

(32) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active sales tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by

this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-90.

(33) On and after July 1, 2003 and through June 30, 2004, the use in this State of motor vehicles of the second division with a gross vehicle weight in excess of 8,000 pounds and that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code. Beginning on July 1, 2004 and through June 30, 2005, the use in this State of motor vehicles of the second division: (i) with a gross vehicle weight rating in excess of 8,000 pounds; (ii) that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code; and (iii) that are primarily used for commercial purposes. Through June 30, 2005, this exemption applies to repair and replacement parts added after the initial purchase of such a motor vehicle if that motor vehicle is used in a manner that would qualify for the rolling stock exemption otherwise provided for in this Act. For purposes of this paragraph, the term "used for commercial purposes" means the transportation of persons or property in furtherance of any commercial or industrial enterprise, whether for-hire or not.

(34) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-90.

(35) Beginning January 1, 2010, tangible property that is used or consumed within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, in the process of manufacturing or assembly of tangible property for wholesale or retail sale or lease.

(36) Beginning January 1, 2010, gas, electricity, and telecommunication services that are purchased or used within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, and have been in operation less than 8 years.

(Source: P.A. 94-1002, eff. 7-3-06; 95-88, eff. 1-1-08; 95-538, eff. 1-1-08; 95-876, eff. 8-21-08.)

Section 920. The Service Use Tax Act is amended by changing Section 3-5 as follows:

(35 ILCS 110/3-5) (from Ch. 120, par. 439.33-5)

Sec. 3-5. Exemptions. Use of the following tangible personal property is exempt from the tax imposed by this Act:

(1) Personal property purchased from a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(2) Personal property purchased by a non-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after the effective date of this amendatory Act of the 92nd General Assembly, however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(5) Until July 1, 2003 and beginning again on September 1, 2004, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product.

(6) Personal property purchased from a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery

and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (7). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals. This item (7) is exempt from the provisions of Section 3-75.

(8) Fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

(9) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages acquired as an incident to the purchase of a service from a serviceman, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(10) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(11) Proceeds from the sale of photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(12) Until July 1, 2003, coal exploration, mining, offhighway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(13) Semen used for artificial insemination of livestock for direct agricultural production.

(14) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (14) is exempt from the provisions of Section 3-75, and the exemption provided for under this item (14) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after the effective date of this amendatory Act of the 95th General Assembly for such taxes paid during the period beginning May 30, 2000 and ending on the effective date of this amendatory Act of the 95th General Assembly.

(15) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax

has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(16) Personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(17) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(18) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including but not limited to municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(19) Beginning July 1, 1999, game or game birds purchased at a "game breeding and hunting preserve area" or an "exotic game hunting area" as those terms are used in the Wildlife Code or at a hunting enclosure approved through rules adopted by the Department of Natural Resources. This paragraph is exempt from the provisions of Section 3-75.

(20) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(21) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-75.

(22) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-75.

(23) Beginning August 23, 2001 and through June 30, 2011, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has

been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article 5 of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act.

(24) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-75.

(25) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or is used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-75.

(26) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-75.

(27) Beginning January 1, 2010, tangible property that is used or consumed within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, in the process of manufacturing or assembly of tangible property for wholesale or retail sale or lease.

(28) Beginning January 1, 2010, gas, electricity, and telecommunication services that are purchased or used within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, and have been in operation less than 8 years.

(Source: P.A. 94-1002, eff. 7-3-06; 95-88, eff. 1-1-08; 95-538, eff. 1-1-08; 95-876, eff. 8-21-08.)

Section 925. The Service Occupation Tax Act is amended by adding Section 2e and by changing Section 3-5 as follows:

(35 ILCS 115/2e new)

Sec. 2e. Machinery and equipment exemption; Innovation Zones.

(a) All tangible personal property to be used or consumed within an Innovation Zone established pursuant to the Illinois Innovation Zone Act in the process of manufacturing or assembly of tangible personal property for wholesale or retail sale or lease or in the process of the delivery of advanced healthcare services if used or consumed at a facility which is a located in an Innovation Zone certified by the Department of Commerce and Economic Opportunity or that is used to conduct research and development activities within a facility that is located in an Innovation Zone certified by the Department of Commerce and Economic Opportunity is exempt from the tax imposed by this Act. This exemption includes repair and replacement parts for machinery and equipment used primarily in the process of manufacturing or assembling tangible personal property or in the process of the delivery of advanced

healthcare services if used or consumed at a facility which is located in an Innovation Zone certified by the Department of Commerce and Economic Opportunity or that is used to conduct research and development activities within a facility that is located in an Innovation Zone certified by the Department of Commerce and Economic Opportunity.

(b) Any business enterprise seeking to avail itself of this exemption shall make application to the Department of Commerce and Economic Opportunity in such form and providing such information as may be prescribed by the Department. The Department shall determine whether the business enterprise meets the criteria prescribed in this Section. If the Department determines that such business enterprise meets the criteria, it shall issue a certificate of eligibility for exemption to the business enterprise in such form as is prescribed by the Department of Revenue. The Department shall act upon such certification requests within 60 days after receipt of the application, and shall file with the Department of Revenue a copy of each certificate of eligibility for exemption.

(c) The Department of Commerce and Economic Opportunity shall have the power to promulgate rules and regulations to carry out the provisions of this Section including the power to define the amounts and types of eligible investments not specified in this Section which business enterprises must make in order to receive the exemptions in this Section; and to require that any business enterprise that is granted a tax exemption repay the exempted tax if the business enterprise fails to comply with the terms and conditions of the certification.

(d) The certificate of eligibility for exemption shall be presented by the business enterprise to its supplier when making the initial purchase of tangible personal property for which an exemption is granted in this Section, together with a certification by the business enterprise that such tangible personal property is exempt from taxation and by indicating the exempt status of each subsequent purchase on the face of the purchase order.

(e) The Department of Commerce and Economic Opportunity shall determine the period during which such exemption from the taxes imposed under this Act is in effect which shall not exceed 20 years.

(35 ILCS 115/3-5) (from Ch. 120, par. 439.103-5)

Sec. 3-5. Exemptions. The following tangible personal property is exempt from the tax imposed by this Act:

(1) Personal property sold by a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(2) Personal property purchased by a not-for-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by any not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after the effective date of this amendatory Act of the 92nd General Assembly, however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(5) Until July 1, 2003 and beginning again on September 1, 2004, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product.

(6) Personal property sold by a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or

hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (7). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals. This item (7) is exempt from the provisions of Section 3-55.

(8) Fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

(9) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(10) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(11) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(12) Until July 1, 2003, coal exploration, mining, offhighway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(13) Beginning January 1, 1992 and through June 30, 2011, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food that has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article 5 of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act.

(14) Semen used for artificial insemination of livestock for direct agricultural production.

(15) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (15) is exempt from the provisions of Section 3-55, and the exemption provided for under this item (15) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 (the effective date of Public Act 95-88) for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008 (the effective date of Public Act 95-88).

(16) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act.

(17) Personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation

Tax Act.

(18) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(19) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including but not limited to municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(20) Beginning July 1, 1999, game or game birds sold at a "game breeding and hunting preserve area" or an "exotic game hunting area" as those terms are used in the Wildlife Code or at a hunting enclosure approved through rules adopted by the Department of Natural Resources. This paragraph is exempt from the provisions of Section 3-55.

(21) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(22) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-55.

(23) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-55.

(24) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. This paragraph is exempt from the provisions of Section 3-55.

(25) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. This paragraph is exempt from the provisions of Section 3-55.

(26) Beginning on January 1, 2002 and through June 30, 2011, tangible personal property purchased from an Illinois retailer by a taxpayer engaged in centralized purchasing activities in Illinois who will, upon receipt of the property in Illinois, temporarily store the property in Illinois (i) for the purpose of subsequently transporting it outside this State for use or consumption thereafter solely outside this State or (ii) for the purpose of being processed, fabricated, or manufactured into, attached to, or incorporated

into other tangible personal property to be transported outside this State and thereafter used or consumed solely outside this State. The Director of Revenue shall, pursuant to rules adopted in accordance with the Illinois Administrative Procedure Act, issue a permit to any taxpayer in good standing with the Department who is eligible for the exemption under this paragraph (26). The permit issued under this paragraph (26) shall authorize the holder, to the extent and in the manner specified in the rules adopted under this Act, to purchase tangible personal property from a retailer exempt from the taxes imposed by this Act. Taxpayers shall maintain all necessary books and records to substantiate the use and consumption of all such tangible personal property outside of the State of Illinois.

(27) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-55.

(28) Beginning January 1, 2010, tangible property that is used or consumed within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, in the process of manufacturing or assembly of tangible property for wholesale or retail sale or lease.

(29) Beginning January 1, 2010, gas, electricity, and telecommunication services that are purchased or used within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, and have been in operation less than 8 years.

(Source: P.A. 94-1002, eff. 7-3-06; 95-88, eff. 1-1-08; 95-538, eff. 1-1-08; 95-876, eff. 8-21-08.)

Section 930. The Retailers' Occupation Tax Act is amended by changing Section 2-5 as follows:

(35 ILCS 120/2-5) (from Ch. 120, par. 441-5)

Sec. 2-5. Exemptions. Gross receipts from proceeds from the sale of the following tangible personal property are exempt from the tax imposed by this Act:

(1) Farm chemicals.

(2) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (2). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed, if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals. This item (7) is exempt from the provisions of Section 2-70.

(3) Until July 1, 2003, distillation machinery and equipment, sold as a unit or kit, assembled or installed by the retailer, certified by the user to be used only for the production of ethyl alcohol that will be used for consumption as motor fuel or as a component of motor fuel for the personal use of the user, and not subject to sale or resale.

(4) Until July 1, 2003 and beginning again September 1, 2004, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product.

(5) A motor vehicle of the first division, a motor vehicle of the second division that is a self contained motor vehicle designed or permanently converted to provide living quarters for recreational, camping, or travel use, with direct walk through access to the living quarters from the driver's seat, or a motor vehicle of the second division that is of the van configuration designed for the transportation of not less than 7

nor more than 16 passengers, as defined in Section 1-146 of the Illinois Vehicle Code, that is used for automobile renting, as defined in the Automobile Renting Occupation and Use Tax Act. This paragraph is exempt from the provisions of Section 2-70.

(6) Personal property sold by a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Until July 1, 2003, proceeds of that portion of the selling price of a passenger car the sale of which is subject to the Replacement Vehicle Tax.

(8) Personal property sold to an Illinois county fair association for use in conducting, operating, or promoting the county fair.

(9) Personal property sold to a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after the effective date of this amendatory Act of the 92nd General Assembly, however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(10) Personal property sold by a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(11) Personal property sold to a governmental body, to a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, or to a not-for-profit corporation, society, association, foundation, institution, or organization that has no compensated officers or employees and that is organized and operated primarily for the recreation of persons 55 years of age or older. A limited liability company may qualify for the exemption under this paragraph only if the limited liability company is organized and operated exclusively for educational purposes. On and after July 1, 1987, however, no entity otherwise eligible for this exemption shall make tax-free purchases unless it has an active identification number issued by the Department.

(12) Tangible personal property sold to interstate carriers for hire for use as rolling stock moving in interstate commerce or to lessors under leases of one year or longer executed or in effect at the time of purchase by interstate carriers for hire for use as rolling stock moving in interstate commerce and equipment operated by a telecommunications provider, licensed as a common carrier by the Federal Communications Commission, which is permanently installed in or affixed to aircraft moving in interstate commerce.

(12-5) On and after July 1, 2003 and through June 30, 2004, motor vehicles of the second division with a gross vehicle weight in excess of 8,000 pounds that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code. Beginning on July 1, 2004 and through June 30, 2005, the use in this State of motor vehicles of the second division: (i) with a gross vehicle weight rating in excess of 8,000 pounds; (ii) that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code; and (iii) that are primarily used for commercial purposes. Through June 30, 2005, this exemption applies to repair and replacement parts added after the initial purchase of such a motor vehicle if that motor vehicle is used in a manner that would qualify for the rolling stock exemption otherwise provided for in this Act. For purposes of this paragraph, "used for commercial purposes" means the transportation of persons or property in furtherance of any commercial or industrial enterprise whether for-hire or not.

(13) Proceeds from sales to owners, lessors, or shippers of tangible personal property that is utilized by interstate carriers for hire for use as rolling stock moving in interstate commerce and equipment operated by a telecommunications provider, licensed as a common carrier by the Federal Communications Commission, which is permanently installed in or affixed to aircraft moving in interstate commerce.

(14) Machinery and equipment that will be used by the purchaser, or a lessee of the purchaser, primarily in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, whether the sale or lease is made directly by the manufacturer or by some other person, whether the materials used in the process are owned by the manufacturer or some other person, or whether the sale or lease is made apart from or as an incident to the seller's engaging in the service occupation of producing machines, tools, dies, jigs, patterns, gauges, or other similar items of no commercial value on special order for a particular purchaser.

(15) Proceeds of mandatory service charges separately stated on customers' bills for purchase and consumption of food and beverages, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(16) Petroleum products sold to a purchaser if the seller is prohibited by federal law from charging tax to the purchaser.

(17) Tangible personal property sold to a common carrier by rail or motor that receives the physical possession of the property in Illinois and that transports the property, or shares with another common carrier in the transportation of the property, out of Illinois on a standard uniform bill of lading showing the seller of the property as the shipper or consignor of the property to a destination outside Illinois, for use outside Illinois.

(18) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(19) Until July 1 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(20) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(21) Until July 1, 2003, coal exploration, mining, offhighway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(22) Fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

(23) A transaction in which the purchase order is received by a florist who is located outside Illinois, but who has a florist located in Illinois deliver the property to the purchaser or the purchaser's donee in Illinois.

(24) Fuel consumed or used in the operation of ships, barges, or vessels that are used primarily in or for the transportation of property or the conveyance of persons for hire on rivers bordering on this State if the fuel is delivered by the seller to the purchaser's barge, ship, or vessel while it is afloat upon that bordering river.

(25) Except as provided in item (25-5) of this Section, a motor vehicle sold in this State to a nonresident even though the motor vehicle is delivered to the nonresident in this State, if the motor vehicle is not to be titled in this State, and if a drive-away permit is issued to the motor vehicle as provided in Section 3-603 of the Illinois Vehicle Code or if the nonresident purchaser has vehicle registration plates to transfer to the motor vehicle upon returning to his or her home state. The issuance of the drive-away permit or having the out-of-state registration plates to be transferred is prima facie evidence that the motor vehicle will not be titled in this State.

(25-5) The exemption under item (25) does not apply if the state in which the motor vehicle will be titled does not allow a reciprocal exemption for a motor vehicle sold and delivered in that state to an Illinois resident but titled in Illinois. The tax collected under this Act on the sale of a motor vehicle in this State to a resident of another state that does not allow a reciprocal exemption shall be imposed at a rate equal to the state's rate of tax on taxable property in the state in which the purchaser is a resident, except that the tax shall not exceed the tax that would otherwise be imposed under this Act. At the time of the sale, the purchaser shall execute a statement, signed under penalty of perjury, of his or her intent to title the vehicle in the state in which the purchaser is a resident within 30 days after the sale and of the fact of the payment to the State of Illinois of tax in an amount equivalent to the state's rate of tax on taxable property in his or her state of residence and shall submit the statement to the appropriate tax collection agency in his or her state of residence. In addition, the retailer must retain a signed copy of the statement in his or her records. Nothing in this item shall be construed to require the removal of the vehicle from this state following the filing of an intent to title the vehicle in the purchaser's state of residence if the purchaser titles the vehicle in his or her state of residence within 30 days after the date of sale. The tax collected under this Act in accordance with this item (25-5) shall be proportionately

distributed as if the tax were collected at the 6.25% general rate imposed under this Act.

(25-7) Beginning on July 1, 2007, no tax is imposed under this Act on the sale of an aircraft, as defined in Section 3 of the Illinois Aeronautics Act, if all of the following conditions are met:

(1) the aircraft leaves this State within 15 days after the later of either the issuance of the final billing for the sale of the aircraft, or the authorized approval for return to service, completion of the maintenance record entry, and completion of the test flight and ground test for inspection, as required by 14 C.F.R. 91.407;

(2) the aircraft is not based or registered in this State after the sale of the aircraft; and

(3) the seller retains in his or her books and records and provides to the Department a signed and dated certification from the purchaser, on a form prescribed by the Department, certifying that the requirements of this item (25-7) are met. The certificate must also include the name and address of the purchaser, the address of the location where the aircraft is to be titled or registered, the address of the primary physical location of the aircraft, and other information that the Department may reasonably require.

For purposes of this item (25-7):

"Based in this State" means hangared, stored, or otherwise used, excluding post-sale customizations as defined in this Section, for 10 or more days in each 12-month period immediately following the date of the sale of the aircraft.

"Registered in this State" means an aircraft registered with the Department of Transportation, Aeronautics Division, or titled or registered with the Federal Aviation Administration to an address located in this State.

This paragraph (25-7) is exempt from the provisions of Section 2-70.

(26) Semen used for artificial insemination of livestock for direct agricultural production.

(27) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (27) is exempt from the provisions of Section 2-70, and the exemption provided for under this item (27) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 (the effective date of Public Act 95-88) for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008 (the effective date of Public Act 95-88) .

(28) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of this Act.

(29) Personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of this Act.

(30) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(31) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including but not limited to municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(32) Beginning July 1, 1999, game or game birds sold at a "game breeding and hunting preserve area" or an "exotic game hunting area" as those terms are used in the Wildlife Code or at a hunting enclosure approved through rules adopted by the Department of Natural Resources. This paragraph is exempt from the provisions of Section 2-70.

(33) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is

determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(34) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 2-70.

(35) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 2-70.

(35-5) Beginning August 23, 2001 and through June 30, 2011, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article 5 of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act.

(36) Beginning August 2, 2001, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of this Act. This paragraph is exempt from the provisions of Section 2-70.

(37) Beginning August 2, 2001, personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of this Act. This paragraph is exempt from the provisions of Section 2-70.

(38) Beginning on January 1, 2002 and through June 30, 2011, tangible personal property purchased from an Illinois retailer by a taxpayer engaged in centralized purchasing activities in Illinois who will, upon receipt of the property in Illinois, temporarily store the property in Illinois (i) for the purpose of subsequently transporting it outside this State for use or consumption thereafter solely outside this State or (ii) for the purpose of being processed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property to be transported outside this State and thereafter used or consumed solely outside this State. The Director of Revenue shall, pursuant to rules adopted in accordance with the Illinois Administrative Procedure Act, issue a permit to any taxpayer in good standing with the Department who is eligible for the exemption under this paragraph (38). The permit issued under this paragraph (38) shall authorize the holder, to the extent and in the manner specified in the rules adopted under this Act, to purchase tangible personal property from a retailer exempt from the taxes imposed by this Act. Taxpayers shall maintain all necessary books and records to substantiate the use and consumption of all such tangible personal property outside of the State of Illinois.

(39) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 2-70.

<u>(40) Beginning January 1, 2010, tangible property that is used or consumed within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, in the process of manufacturing or assembly of tangible property for wholesale or retail sale or lease.</u>

(41) Beginning January 1, 2010, gas, electricity, and telecommunication services that are purchased or used within an Innovation Zone, as that term is defined in the Illinois Innovation Zone Act, and have been in operation less than 8 years.
(Source: P.A. 94-1002, eff. 7-3-06; 95-88, eff. 1-1-08; 95-233, eff. 8-16-07; 95-304, eff. 8-20-07; 95-538, eff. 1-1-08; 95-707, eff. 1-11-08; 95-876, eff. 8-21-08.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 2112**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Harmon, **Senate Bill No. 2115**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg

Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 2116** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2116

AMENDMENT NO. 1. Amend Senate Bill 2116 on page 2, by replacing lines 8 and 9 with the following: "involved. This written notice shall be published in the Capital Development Board Procurement Bulletin and the Illinois Procurement Bulletin with the Request for"; and

on page 2, by replacing lines 18 through 20 with the following: "submitted to the administrators of the Capital Development Board Procurement Bulletin and ~~announced in~~ the Illinois Procurement Bulletin for publication and through at least one public notice, at least 30 ~~14~~"; and

on page 4, by replacing lines 20 through 22 with the following: "submitted to the administrators of the Capital Development Board Procurement Bulletin and the ~~published in the next available subsequent~~ Illinois Procurement Bulletin for publication."; and

on page 5, line 1, by deleting "; or other agreement"; and

on page 5, line 3, by replacing ", ~~or~~" with "or"; and

on page 5, line 4, by deleting ", or other agreement"; and

on page 6, line 1, by deleting "; or other agreement"; and

on page 6, by replacing lines 3 and 4 with the following: "installment payment contract or lease purchase agreement with a qualified provider or with a third-party".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 2116**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan
Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILLS RECALLED

On motion of Senator Steans, **Senate Bill No. 2119** was recalled from the order of third reading to the order of second reading.

Senator Steans offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2119

AMENDMENT NO. 1 . Amend Senate Bill 2119 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by adding Section 2-3.64b as follows:

(105 ILCS 5/2-3.64b new)

Sec. 2-3.64b. Innovation, Intervention, and Restructuring Task Force.

(a) In keeping with the goals outlined in the federal American Recovery and Reinvestment Act of 2009, the State of Illinois hereby creates the Innovation, Intervention, and Restructuring Task Force to develop recommendations for the innovation, intervention, and restructuring of schools, including those that need comprehensive or focused intervention, as those terms are defined by this State's proposal for participation in the No Child Left Behind differentiated accountability pilot project.

(b) The task force shall consist of the following members:

(1) One chairperson, appointed by the Governor.

(2) Two additional members, each appointed by the Governor.

(3) Two members appointed by the State Superintendent of Education.

(4) One member appointed by the President of the Senate.

(5) One member appointed by the Speaker of the House of Representatives.

(6) One member appointed by the Minority Leader of the Senate.

(7) One member appointed by the Minority Leader of the House of Representatives.

(c) The task force shall compile data, study, and, pursuant to subsection (e) of this Section, report on all of the following matters, among any others deemed relevant by the task force:

(1) Ways in which this State can identify schools requiring more intensive intervention.

(2) Strategies for strengthening leadership at struggling schools and otherwise strengthening school district capacity to effectively implement reforms and ensure continuous improvement.

(3) Strategies that have been involved in successful turnaround efforts and a template for evaluating

turnaround efforts.

(4) The autonomies, resources, and support that need to be available to achieve and maintain over time a successful turnaround.

(5) Mechanisms for model innovations to be captured and shared across this State.

(6) The amount of funding necessary to accomplish any and all strategies included in the task force's recommendation.

(7) The identification of any statutory or regulatory changes that would be necessary or helpful to promote successful innovation, intervention, and restructuring.

(d) In developing its recommendations, the task force shall compile relevant data. Moreover, the task force shall seek input from appropriate organizations, including the Illinois Education Association, the Illinois Federation of Teachers, the Illinois Statewide School Management Alliance, ED-RED, the Illinois Association of Regional Superintendents of Schools, the Metropolitan Planning Council, the Illinois PTA, the Civic Committee of the Commercial Club of Chicago, Voices for Illinois Children, Action for Children, the Legislative Education Network of DuPage County (LEND), the South Cooperative Organization for Public Education (SCOPE), the Ounce of Prevention Fund, the Illinois Business Roundtable, and any other source deemed appropriate.

(e) The task force shall submit a comprehensive report to the Governor, the General Assembly, and the State Superintendent of Education not later than December 31, 2009. The task force may, with the written approval of the Governor, reconvene for the purposes of continued study and the development of additional recommendations.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Demuzio, **Senate Bill No. 2121** was recalled from the order of third reading to the order of second reading.

Senator Demuzio offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2121

AMENDMENT NO. 1 . Amend Senate Bill 2121 by replacing lines 16 through 20 on page 6 with the following:

"industrial storm water, the fee is $500.

(10) for NPDES permits for construction site storm water, the fee:

(A) for applications received before January 1, 2010 is $500;

(B) for applications received on or after January 1, 2010 is:

(i) $250 if less than 5 acres are disturbed; and

(ii) $750 if 5 or more acres are disturbed.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Demuzio, **Senate Bill No. 2121**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 53; NAYS 4.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Rutherford
Bivins	Forby	Lightford	Sandoval
Bomke	Frerichs	Link	Schoenberg
Bond	Garrett	Maloney	Silverstein
Brady	Haine	Martinez	Steans
Burzynski	Harmon	McCarter	Sullivan
Clayborne	Hendon	Meeks	Syverson
Collins	Holmes	Munoz	Trotter
Cronin	Hultgren	Murphy	Viverito
Crotty	Hunter	Noland	Wilhelmi
Dahl	Hutchinson	Radogno	Mr. President
DeLeo	Jacobs	Raoul	
Delgado	Jones, E.	Righter	
Demuzio	Koehler	Risinger	

The following voted in the negative:

Dillard	Millner
Lauzen	Pankau

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Viverito, **Senate Bill No. 2125**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 48; NAYS 8.

The following voted in the affirmative:

Althoff	Duffy	Lightford	Sandoval
Bivins	Forby	Link	Schoenberg
Bomke	Frerichs	Maloney	Silverstein
Bond	Haine	Martinez	Steans
Clayborne	Harmon	Meeks	Sullivan
Collins	Hendon	Munoz	Trotter
Cronin	Holmes	Murphy	Viverito
Crotty	Hunter	Noland	Wilhelmi
Dahl	Hutchinson	Pankau	Mr. President
DeLeo	Jacobs	Radogno	
Delgado	Jones, E.	Raoul	
Demuzio	Koehler	Risinger	
Dillard	Kotowski	Rutherford	

The following voted in the negative:

Brady	Hultgren	Righter
Burzynski	Lauzen	Syverson
Garrett	Millner	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Haine, **Senate Bill No. 2145**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Demuzio, **Senate Bill No. 2148**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 59; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Harmon, **Senate Bill No. 2150**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Hutchinson, **Senate Bill No. 2168**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito

DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Noland, **Senate Bill No. 2178**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Rutherford
Bomke	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Garrett, **Senate Bill No. 2184**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Brady	Harmon	Maloney	Schoenberg
Burzynski	Hendon	Martinez	Silverstein
Clayborne	Holmes	McCarter	Steans
Collins	Hultgren	Meeks	Sullivan

Cronin	Hunter	Millner	Syverson
Crotty	Hutchinson	Munoz	Trotter
Dahl	Jacobs	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi
Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Garrett, **Senate Bill No. 2212**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Harmon	Martinez	Steans
Clayborne	Hendon	McCarter	Sullivan
Collins	Holmes	Meeks	Syverson
Cronin	Hultgren	Millner	Trotter
Crotty	Hunter	Munoz	Viverito
Dahl	Hutchinson	Murphy	Wilhelmi
DeLeo	Jacobs	Noland	Mr. President
Delgado	Jones, E.	Pankau	
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Garrett, **Senate Bill No. 2214**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Risinger
Bivins	Forby	Lauzen	Rutherford
Bomke	Frerichs	Lightford	Sandoval
Bond	Garrett	Link	Schoenberg
Brady	Haine	Maloney	Silverstein

Burzynski	Harmon	Martinez	Steans
Clayborne	Hendon	McCarter	Sullivan
Collins	Holmes	Meeks	Syverson
Cronin	Hultgren	Millner	Trotter
Crotty	Hunter	Munoz	Viverito
Dahl	Hutchinson	Murphy	Wilhelmi
DeLeo	Jacobs	Noland	Mr. President
Delgado	Jones, E.	Pankau	
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILLS RECALLED

On motion of Senator Radogno, **Senate Bill No. 2217** was recalled from the order of third reading to the order of second reading.

Senator Radogno offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2217

AMENDMENT NO. 1 . Amend Senate Bill 2217 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Vehicle Code is amended by changing Section 1-103 as follows:
(625 ILCS 5/1-103) (from Ch. 95 1/2, par. 1-103)

Sec. 1-103. Approved driver education course. (a) Any course of driver education approved by the State Board of Education, offered by public or private schools maintaining grades 9 through 12, and meeting at least the minimum requirements of the "Driver Education Act", as now or hereafter amended, ~~or~~ (b) any course of driver education offered by a school licensed to give driver education instructions under this Act which meets at least the minimum educational requirements of the "Driver Education Act", as now or hereafter amended, and is approved by the State Board of Education , ~~or~~ (c) any course of driver education given in another State to an Illinois resident attending school in such State and approved by the State administrator of the Driver Education Program of such other State , or (d) any course of driver education given at a Department of Defense Education Activity school that is approved by the Department of Defense Education Activity and taught by an adult driver education instructor or traffic safety officer.
(Source: P.A. 81-1508.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Cronin, **Senate Bill No. 2270** was recalled from the order of third reading to the order of second reading.

Senator Cronin offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2270

AMENDMENT NO. 1 . Amend Senate Bill 2270 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by adding Sections 10-20.46 and 34-18.37 as follows:
(105 ILCS 5/10-20.46 new)

Sec. 10-20.46. Salary compensation report. On or before October 1 of each year, each school district

in this State, including special charter districts, shall post on its Internet website, if any, an itemized salary compensation report for every employee in the district holding an administrative certificate and working in that capacity, including the district superintendent. The salary compensation report shall include without limitation base salary, bonuses, pension contributions, retirement increases, the cost of health insurance, the cost of life insurance, paid sick and vacation day payouts, annuities, and any other form of compensation or income paid on behalf of the employee.

This report shall be presented at a regular school board meeting, subject to applicable notice requirements. In addition, each school district shall submit the completed report to the office of the district's regional superintendent of schools, which shall make copies available to any individual requesting them.

Per Section 10-20.40 of this Code, as added by Public Act 95-707, a school district must post the contract that a school board enters into with an exclusive bargaining representative. The school board must provide the terms of that contract online.

(105 ILCS 5/34-18.37 new)

Sec. 34-18.37. Salary compensation report. On or before October 1 of each year, the school district shall post on its Internet website an itemized salary compensation report for every employee in the district holding an administrative certificate and working in that capacity, including the general superintendent of schools. The salary compensation report shall include without limitation base salary, bonuses, pension contributions, retirement increases, the cost of health insurance, the cost of life insurance, paid sick and vacation day payouts, annuities, and any other form of compensation or income paid on behalf of the employee.

This report shall be presented at a regular board meeting, subject to applicable notice requirements. In addition, the board shall make copies of the completed report available to any individual requesting them.

Per Section 10-20.40 of this Code, as added by Public Act 95-707, the school district must post the contract that the board enters into with an exclusive bargaining representative. The board must provide the terms of that contract online.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Cronin, **Senate Bill No. 2270**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jones, E.	Noland	Wilhelmi

Delgado	Jones, J.	Pankau	Mr. President
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Koehler asked and obtained unanimous consent for the Journal to reflect his affirmative vote on **Senate Bill No. 2270 .**

SENATE BILL RECALLED

On motion of Senator Koehler, **Senate Bill No. 2271** was recalled from the order of third reading to the order of second reading.

Senator Koehler offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2271

AMENDMENT NO. 1 . Amend Senate Bill 2271 by replacing everything after the enacting clause with the following:

"Section 5. The Energy Assistance Act is amended by changing Section 6 as follows:

(305 ILCS 20/6) (from Ch. 111 2/3, par. 1406)

Sec. 6. Eligibility, Conditions of Participation, and Energy Assistance.

(a) Any person who is a resident of the State of Illinois and whose household income is not greater than an amount determined annually by the Department, in consultation with the Policy Advisory Council, may apply for assistance pursuant to this Act in accordance with regulations promulgated by the Department. In setting the annual eligibility level, the Department shall consider the amount of available funding and may not set a limit higher than 150% of the federal nonfarm poverty level as established by the federal Office of Management and Budget. Notwithstanding any other provision of this Section, in determining the amount of a household's annual income, the Department may consider the household's extraordinary medical expenses, as defined by the Department by rule, including but not limited to expenses related to life support equipment for a household member.

(b) Applicants who qualify for assistance pursuant to subsection (a) of this Section shall, subject to appropriation from the General Assembly and subject to availability of funds to the Department, receive energy assistance as provided by this Act. The Department, upon receipt of monies authorized pursuant to this Act for energy assistance, shall commit funds for each qualified applicant in an amount determined by the Department. In determining the amounts of assistance to be provided to or on behalf of a qualified applicant, the Department shall ensure that the highest amounts of assistance go to households with the greatest energy costs in relation to household income. The Department shall include factors such as energy costs, household size, household income, and region of the State when determining individual household benefits. The Department may also include factors such as extraordinary medical needs of a household member, as defined by the Department by rule, including but not limited to a need for life support equipment, when determining individual household benefits. In setting assistance levels, the Department shall attempt to provide assistance to approximately the same number of households who participated in the 1991 Residential Energy Assistance Partnership Program. Such assistance levels shall be adjusted annually on the basis of funding availability and energy costs. In promulgating rules for the administration of this Section the Department shall assure that a minimum of 1/3 of funds available for benefits to eligible households with the lowest incomes and that elderly and disabled households are offered a priority application period.

(c) If the applicant is not a customer of an energy provider for winter energy services or an applicant for such service, such applicant shall receive a direct energy assistance payment in an amount established by the Department for all such applicants under this Act; provided, however, that such an applicant must have rental expenses for housing greater than 30% of household income.

(d) If the applicant is a customer of an energy provider, such applicant shall receive energy assistance in an amount established by the Department for all such applicants under this Act, such amount to be paid by the Department to the energy provider supplying winter energy service to such applicant. Such applicant shall:

(i) make all reasonable efforts to apply to any other appropriate source of public energy assistance; and

(ii) sign a waiver permitting the Department to receive income information from any public or private agency providing income or energy assistance and from any employer, whether public or private.

(e) Any qualified applicant pursuant to this Section may receive or have paid on such applicant's behalf an emergency assistance payment to enable such applicant to obtain access to winter energy services. Any such payments shall be made in accordance with regulations of the Department.

(f) The Department may, if sufficient funds are available, provide additional benefits to certain qualified applicants:

(i) for the reduction of past due amounts owed to energy providers; and

(ii) to assist the household in responding to excessively high summer temperatures or energy costs. Households containing elderly members, children, a person with a disability, or a person with a medical need for conditioned air shall receive priority for receipt of such benefits.

(Source: P.A. 91-936, eff. 1-10-01; 92-690, eff. 7-18-02.)

Section 99. Effective date. This Act takes effect September 1, 2009.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Koehler, **Senate Bill No. 2271**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 47; NAYS 10.

The following voted in the affirmative:

Althoff	Frerichs	Kotowski	Raoul
Bond	Garrett	Lauzen	Risinger
Brady	Haine	Lightford	Sandoval
Clayborne	Harmon	Link	Schoenberg
Collins	Hendon	Maloney	Silverstein
Cronin	Holmes	Martinez	Steans
Crotty	Hultgren	McCarter	Sullivan
Dahl	Hunter	Millner	Trotter
DeLeo	Hutchinson	Munoz	Viverito
Delgado	Jacobs	Murphy	Wilhelmi
Demuzio	Jones, E.	Noland	Mr. President
Forby	Koehler	Pankau	

The following voted in the negative:

Bivins	Dillard	Luechtefeld	Syverson
Bomke	Duffy	Righter	
Burzynski	Jones, J.	Rutherford	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Lauzen, **Senate Bill No. 2272** was recalled from the order of third reading to the order of second reading.

Senator Lauzen offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 2272

AMENDMENT NO. 1. Amend Senate Bill 2272 by replacing everything after the enacting clause with the following:

"Section 5. The Carrier, Racing, Hobby, and Show Pigeon Act of 1993 is amended by changing Section 7 as follows:

(510 ILCS 45/7) (from Ch. 8, par. 907)

Sec. 7. A municipality ~~located in a county with fewer than 3,000,000 inhabitants or a county shall not enact an ordinance which prohibits the orderly keeping of carrier pigeons, hobby, or show pigeons, except that any municipality located within a county having 3,000,000 or more inhabitants~~ may enact an ordinance to prohibit or regulate the orderly keeping of carrier, racing, hobby, or show pigeons. A county shall not enact an ordinance which prohibits or regulates the orderly keeping of carrier pigeons, hobby, or show pigeons.

(Source: P.A. 88-136; 89-651, eff. 8-14-96.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Lauzen, **Senate Bill No. 2272**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 50; NAYS 5.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Rutherford
Bivins	Frerichs	Luechtefeld	Sandoval
Bomke	Garrett	Martinez	Schoenberg
Bond	Haine	McCarter	Silverstein
Clayborne	Harmon	Millner	Steans
Collins	Holmes	Munoz	Sullivan
Cronin	Hultgren	Murphy	Syverson
Dahl	Hutchinson	Noland	Trotter
DeLeo	Jacobs	Pankau	Viverito
Delgado	Jones, E.	Radogno	Wilhelmi
Demuzio	Jones, J.	Raoul	Mr. President
Dillard	Koehler	Righter	
Duffy	Kotowski	Risinger	

The following voted in the negative:

Burzynski	Lightford	Maloney
Crotty	Link	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Althoff, **Senate Bill No. 2283**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi
Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Harmon, **Senate Bill No. 2338**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Righter
Bivins	Frerichs	Lightford	Risinger
Bomke	Garrett	Link	Rutherford
Bond	Haine	Luechtefeld	Sandoval
Burzynski	Harmon	Maloney	Schoenberg
Clayborne	Hendon	Martinez	Silverstein
Collins	Holmes	McCarter	Steans
Cronin	Hultgren	Meeks	Sullivan
Crotty	Hunter	Millner	Syverson
Dahl	Hutchinson	Munoz	Trotter
DeLeo	Jacobs	Murphy	Viverito
Delgado	Jones, E.	Noland	Wilhelmi

Demuzio	Jones, J.	Pankau	Mr. President
Dillard	Koehler	Radogno	
Duffy	Kotowski	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 1601** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 1 was held in the Committee on Assignments.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1601

AMENDMENT NO. _2_. Amend Senate Bill 1601 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Municipal Code is amended by changing Section 11-74.4-3 as follows:

(65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

(Text of Section before amendment by P.A. 95-1028)

Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

(a) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "blighted area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

(1) If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(C) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(D) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(G) Lack of ventilation, light, or sanitary facilities. The absence of adequate

ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(I) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(J) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(K) Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(M) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

(B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

(C) Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.

(D) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

(E) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(F) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) The area consists of one or more unused quarries, mines, or strip mine ponds.

(B) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.

(C) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

(D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

(E) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

(F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

(b) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "conservation area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area:

(1) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(2) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(3) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys,

curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(4) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(6) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(7) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(8) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(9) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(10) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(11) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(12) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(c) "Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited

to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

(d) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 1/2 miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

(e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

(f) "Municipality" shall mean a city, village, incorporated town, or a township that is located in the unincorporated portion of a county with 3 million or more inhabitants, if the county adopted an ordinance that approved the township's redevelopment plan.

(g) "Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in a State Sales Tax Boundary during the calendar year 1985.

(g-1) "Revised Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located within the State Sales Tax Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

(h) "Municipal Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid to a municipality from the Local Government Tax Fund arising from sales by retailers and servicemen within the redevelopment project area or State Sales Tax Boundary, as the case may be, for as long as the redevelopment project area or State Sales Tax Boundary, as the case may be, exist over and above the aggregate amount of taxes as certified by the Illinois Department of Revenue and paid under the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen, on transactions at places of business located in the redevelopment project area or State Sales Tax Boundary, as the case may be, during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall determine the Initial Sales Tax Amounts for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amounts". For purposes of determining the Municipal Sales Tax Increment, the Department of Revenue shall for each period subtract from the amount paid to the municipality from the Local Government Tax Fund arising from sales by retailers and servicemen on transactions located in the redevelopment project area or the State Sales Tax Boundary, as the case may be, the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act. For the State Fiscal Year 1989, this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, to June 30, 1989, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act which shall have deducted therefrom nine-twelfths of the

certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending June 30 to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as the case may be.

(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any distribution to any other municipality and regardless of whether or not those other municipalities will receive 100% of their Net State Sales Tax Increment. For Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a State Sales Tax Boundary, the Net State Sales Tax Increment shall be calculated as follows: By multiplying the Net State Sales Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter.

Municipalities that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991, or that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988, shall continue to receive their proportional share of the Illinois Tax Increment Fund distribution until the date on which the redevelopment project is completed or terminated. If, however, a municipality that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991 retires the bonds prior to June 30, 2007 or a municipality that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988 completes the contracts prior to June 30, 2007, then so long as the redevelopment project is not completed or is not terminated, the Net State Sales Tax Increment shall be calculated, beginning on the date on which the bonds are retired or the contracts are completed, as follows: By multiplying the Net State Sales Tax Increment by 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter. Refunding of any bonds issued prior to July 29, 1991, shall not alter the Net State Sales Tax Increment.

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other than residential customers, of properties within the redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation financing.

(k) "Net State Utility Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Utility Tax Increment annually generated by a redevelopment project area; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of the State Utility Tax Increment annually generated by a redevelopment project area; and (c) 40% of all amounts in excess of $500,000 of State Utility Tax Increment annually generated by a redevelopment project area. For the State Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a redevelopment project area, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40%

in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for the State Fiscal Year 2008 and thereafter.

Municipalities that issue bonds in connection with the redevelopment project during the period from June 1, 1988 until 3 years after the effective date of this Amendatory Act of 1988 shall receive the Net State Utility Tax Increment, subject to appropriation, for 15 State Fiscal Years after the issuance of such bonds. For the 16th through the 20th State Fiscal Years after issuance of the bonds, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in year 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in year 20. Refunding of any bonds issued prior to June 1, 1988, shall not alter the revised Net State Utility Tax Increment payments set forth above.

(l) "Obligations" mean bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

(m) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

(n) "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting. Each redevelopment plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:

(A) an itemized list of estimated redevelopment project costs;

(B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise;

(C) an assessment of any financial impact of the redevelopment project area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand;

(D) the sources of funds to pay costs;

(E) the nature and term of the obligations to be issued;

(F) the most recent equalized assessed valuation of the redevelopment project area;

(G) an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area;

(H) a commitment to fair employment practices and an affirmative action plan;

(I) if it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed; and

(J) if property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

The provisions of items (B) and (C) of this subsection (n) shall not apply to a municipality that before March 14, 1994 (the effective date of Public Act 88-537) had fixed, either by its corporate authorities or by a commission designated under subsection (k) of Section 11-74.4-4, a time and place for a public hearing as required by subsection (a) of Section 11-74.4-5. No redevelopment plan shall be adopted unless a municipality complies with all of the following requirements:

(1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

(2) The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality.

(3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates may not be later than the dates set forth under Section 11-74.4-3.5.~~, or (DDD) (EEE), or (FFF), or (GGG), or (HHH), or (III), or (JJJ), (KKK), (LLL) (MMM), or (NNN) if the ordinance was adopted on December 23, 1986 by the Village of Libertyville.~~

A municipality may by municipal ordinance amend an existing redevelopment plan to conform to this paragraph (3) as amended by Public Act 91-478, which municipal ordinance may be adopted without further hearing or notice and without complying with the procedures provided in this Act pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area.

(3.5) The municipality finds, in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area.

(4) If any incremental revenues are being utilized under Section 8(a)(1) or 8(a)(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(5) If the redevelopment plan will not result in displacement of residents from 10 or more inhabited residential units, and the municipality certifies in the plan that such displacement will not result from the plan, a housing impact study need not be performed. If, however, the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and no certification is made, then the municipality shall prepare, as part of the separate feasibility report required by subsection (a) of Section 11-74.4-5, a housing impact study.

Part I of the housing impact study shall include (i) data as to whether the residential units are single family or multi-family units, (ii) the number and type of rooms within the units, if that information is available, (iii) whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 is passed, and (iv) data as to the racial and ethnic composition of the residents in the inhabited residential units. The data requirement as to the racial and ethnic composition of the residents in the inhabited residential units shall be deemed to be fully satisfied by data from the most recent federal census.

Part II of the housing impact study shall identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.

(6) On and after November 1, 1999, the housing impact study required by paragraph (5) shall be incorporated in the redevelopment plan for the redevelopment project area.

(7) On and after November 1, 1999, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after November 1, 1999 unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. For purposes of this paragraph (7), "low-income households", "very

low-income households", and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable housing is located in or near the redevelopment project area within the municipality.

(8) On and after November 1, 1999, if, after the adoption of the redevelopment plan for the redevelopment project area, any municipality desires to amend its redevelopment plan to remove more inhabited residential units than specified in its original redevelopment plan, that change shall be made in accordance with the procedures in subsection (c) of Section 11-74.4-5.

(9) For redevelopment project areas designated prior to November 1, 1999, the redevelopment plan may be amended without further joint review board meeting or hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested party registry, to authorize the municipality to expend tax increment revenues for redevelopment project costs defined by paragraphs (5) and (7.5), subparagraphs (E) and (F) of paragraph (11), and paragraph (11.5) of subsection (q) of Section 11-74.4-3, so long as the changes do not increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted.

(o) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting.

(p) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

(q) "Redevelopment project costs" mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

(1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

(1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

(2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

(3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to

be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to LEED certified construction elements;

(4) Costs of the construction of public works or improvements, including any direct or indirect costs relating to LEED certified construction elements, except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

(5) Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

(7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.

(7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

(A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than $5,900, excluding

any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(C) For any school district in a municipality with a population in excess of 1,000,000, the following restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5):

(i) no increased costs shall be reimbursed unless the school district certifies that each of the schools affected by the assisted housing project is at or over its student capacity;

(ii) the amount reimbursable shall be reduced by the value of any land donated to the school district by the municipality or developer, and by the value of any physical improvements made to the schools by the municipality or developer; and

(iii) the amount reimbursed may not affect amounts otherwise obligated by the terms of any bonds, notes, or other funding instruments, or the terms of any redevelopment agreement.

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

(7.7) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005 (the effective date of Public Act 93-961), a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph (7.7) applies only if (i) the library district is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph (7.7) shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed $120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent

Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph (7.7) shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Tax Allocation Fund.

A library district is not eligible for any payment under this paragraph (7.7) unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n);

(9) Payment in lieu of taxes;

(10) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

(11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;

(B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

(D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act; and

(E) the cost limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11).

(F) Instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act

or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing.

The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

(11.5) If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county, or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

(12) Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

(13) After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

(14) No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934) ~~this amendatory Act of the 95th General Assembly~~, unless no prudent and feasible alternative exists. "Historic resource" for the purpose of this item (14) means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This item (14) does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by this Act.

(r) "State Sales Tax Boundary" means the redevelopment project area or the amended redevelopment

project area boundaries which are determined pursuant to subsection (9) of Section 11-74.4-8a of this Act. The Department of Revenue shall certify pursuant to subsection (9) of Section 11-74.4-8a the appropriate boundaries eligible for the determination of State Sales Tax Increment.

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

(t) "Taxing districts" means counties, townships, cities and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

(v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed

Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

(w) "Annual Total Increment" means the sum of each municipality's annual Net Sales Tax Increment and each municipality's annual Net Utility Tax Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(x) "LEED certified" means any certification level of construction elements by a qualified Leadership in Energy and Environmental Design Accredited Professional as determined by the U.S. Green Building Council.

(Source: P.A. 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff. 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff. 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810, eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07; 94-1092, eff. 1-26-07; 95-15, eff. 7-16-07; 95-164, eff. 1-1-08; 95-331, eff. 8-21-07; 95-346, eff. 8-21-07; 95-459, eff. 8-27-07; 95-653, eff. 1-1-08; 95-662, eff. 10-11-07; 95-683, eff. 10-19-07; 95-709, eff. 1-29-08; 95-876, eff. 8-21-08; 95-932, eff. 8-26-08; 95-934, eff. 8-26-08; 95-964, eff. 9-23-08; 95-977, eff. 9-22-08; revised 10-16-08.)

(Text of Section after amendment by P.A. 95-1028)

Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

(a) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "blighted area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

(1) If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(C) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(D) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(G) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper

window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(I) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(J) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(K) Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(M) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

(B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

(C) Tax and special assessment delinquencies exist or the property has been the

subject of tax sales under the Property Tax Code within the last 5 years.

(D) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

(E) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(F) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) The area consists of one or more unused quarries, mines, or strip mine ponds.

(B) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.

(C) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

(D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

(E) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

(F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

(b) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "conservation area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area:

(1) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(2) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(3) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(4) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(6) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(7) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(8) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(9) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(10) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(11) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(12) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(c) "Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

(d) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 1/2 miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

(e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

(f) "Municipality" shall mean a city, village, incorporated town, or a township that is located in the unincorporated portion of a county with 3 million or more inhabitants, if the county adopted an ordinance that approved the township's redevelopment plan.

(g) "Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in a State Sales Tax Boundary during the calendar year 1985.

(g-1) "Revised Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located within the State Sales Tax Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

(h) "Municipal Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid to a municipality from the Local Government Tax Fund arising from sales by retailers and servicemen within the redevelopment project area or State Sales Tax Boundary, as the case may be, for as long as the redevelopment project area or State Sales Tax Boundary, as the case may be, exist over and above the aggregate amount of taxes as certified by the Illinois Department of Revenue and paid under the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen, on transactions at places of business located in the redevelopment project area or State Sales Tax Boundary, as the case may be, during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall determine the Initial Sales Tax Amounts for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amounts". For purposes of determining the Municipal Sales Tax Increment, the Department of Revenue shall for each period subtract from the amount paid to the municipality from the Local Government Tax Fund arising from sales by retailers and servicemen on transactions located in the redevelopment project area or the State Sales Tax Boundary, as the case may be, the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act. For the State Fiscal Year 1989, this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, to June 30, 1989, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending June 30 to determine the tax amounts received which shall have

deducted therefrom the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as the case may be.

(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any distribution to any other municipality and regardless of whether or not those other municipalities will receive 100% of their Net State Sales Tax Increment. For Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a State Sales Tax Boundary, the Net State Sales Tax Increment shall be calculated as follows: By multiplying the Net State Sales Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter.

Municipalities that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991, or that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988, shall continue to receive their proportional share of the Illinois Tax Increment Fund distribution until the date on which the redevelopment project is completed or terminated. If, however, a municipality that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991 retires the bonds prior to June 30, 2007 or a municipality that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988 completes the contracts prior to June 30, 2007, then so long as the redevelopment project is not completed or is not terminated, the Net State Sales Tax Increment shall be calculated, beginning on the date on which the bonds are retired or the contracts are completed, as follows: By multiplying the Net State Sales Tax Increment by 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter. Refunding of any bonds issued prior to July 29, 1991, shall not alter the Net State Sales Tax Increment.

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other than residential customers, of properties within the redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation financing.

(k) "Net State Utility Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Utility Tax Increment annually generated by a redevelopment project area; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of the State Utility Tax Increment annually generated by a redevelopment project area; and (c) 40% of all amounts in excess of $500,000 of State Utility Tax Increment annually generated by a redevelopment project area. For the State Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a redevelopment project area, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for the State Fiscal Year 2008 and thereafter.

Municipalities that issue bonds in connection with the redevelopment project during the period from June 1, 1988 until 3 years after the effective date of this Amendatory Act of 1988 shall receive the Net State Utility Tax Increment, subject to appropriation, for 15 State Fiscal Years after the issuance of such bonds. For the 16th through the 20th State Fiscal Years after issuance of the bonds, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in year 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in year 20. Refunding of any bonds issued prior to June 1, 1988, shall not alter the revised Net State Utility Tax Increment payments set forth above.

(l) "Obligations" mean bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

(m) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

(n) "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting. Each redevelopment plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:

(A) an itemized list of estimated redevelopment project costs;

(B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise;

(C) an assessment of any financial impact of the redevelopment project area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand;

(D) the sources of funds to pay costs;

(E) the nature and term of the obligations to be issued;

(F) the most recent equalized assessed valuation of the redevelopment project area;

(G) an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area;

(H) a commitment to fair employment practices and an affirmative action plan;

(I) if it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed; and

(J) if property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

The provisions of items (B) and (C) of this subsection (n) shall not apply to a municipality that before March 14, 1994 (the effective date of Public Act 88-537) had fixed, either by its corporate authorities or by a commission designated under subsection (k) of Section 11-74.4-4, a time and place for a public hearing as required by subsection (a) of Section 11-74.4-5. No redevelopment plan shall be adopted unless a municipality complies with all of the following requirements:

(1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

(2) The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted,

the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality.

(3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates may not be later than the dates set forth under Section 11-74.4-3.5.~~, or (DDD) (EEE), or (FFF), or (GGG), or (HHH), or (III), or (JJJ), (KKK), (LLL) (MMM), or (NNN) if the ordinance was adopted on December 23, 1986 by the Village of Libertyville. (NNN) if the ordinance was adopted on December 22, 1986 by the Village of Hoffman Estates.~~

A municipality may by municipal ordinance amend an existing redevelopment plan to conform to this paragraph (3) as amended by Public Act 91-478, which municipal ordinance may be adopted without further hearing or notice and without complying with the procedures provided in this Act pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area.

(3.5) The municipality finds, in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area.

(4) If any incremental revenues are being utilized under Section 8(a)(1) or 8(a)(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(5) If the redevelopment plan will not result in displacement of residents from 10 or more inhabited residential units, and the municipality certifies in the plan that such displacement will not result from the plan, a housing impact study need not be performed. If, however, the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and no certification is made, then the municipality shall prepare, as part of the separate feasibility report required by subsection (a) of Section 11-74.4-5, a housing impact study.

Part I of the housing impact study shall include (i) data as to whether the residential units are single family or multi-family units, (ii) the number and type of rooms within the units, if that information is available, (iii) whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 is passed, and (iv) data as to the racial and ethnic composition of the residents in the inhabited residential units. The data requirement as to the racial and ethnic composition of the residents in the inhabited residential units shall be deemed to be fully satisfied by data from the most recent federal census.

Part II of the housing impact study shall identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.

(6) On and after November 1, 1999, the housing impact study required by paragraph (5) shall be incorporated in the redevelopment plan for the redevelopment project area.

(7) On and after November 1, 1999, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after November 1, 1999 unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. For purposes of this paragraph (7), "low-income households", "very low-income households", and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable

housing is located in or near the redevelopment project area within the municipality.

(8) On and after November 1, 1999, if, after the adoption of the redevelopment plan for the redevelopment project area, any municipality desires to amend its redevelopment plan to remove more inhabited residential units than specified in its original redevelopment plan, that change shall be made in accordance with the procedures in subsection (c) of Section 11-74.4-5.

(9) For redevelopment project areas designated prior to November 1, 1999, the redevelopment plan may be amended without further joint review board meeting or hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested party registry, to authorize the municipality to expend tax increment revenues for redevelopment project costs defined by paragraphs (5) and (7.5), subparagraphs (E) and (F) of paragraph (11), and paragraph (11.5) of subsection (q) of Section 11-74.4-3, so long as the changes do not increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted.

(o) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting.

(p) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

(q) "Redevelopment project costs" mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

(1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

(1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

(2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

(3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to LEED certified construction elements;

(4) Costs of the construction of public works or improvements, <u>including any direct or indirect costs relating to LEED certified construction elements,</u> except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

(5) Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

(7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.

(7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

(A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than $5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside

in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(C) For any school district in a municipality with a population in excess of 1,000,000, the following restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5):

(i) no increased costs shall be reimbursed unless the school district certifies that each of the schools affected by the assisted housing project is at or over its student capacity;

(ii) the amount reimbursable shall be reduced by the value of any land donated to the school district by the municipality or developer, and by the value of any physical improvements made to the schools by the municipality or developer; and

(iii) the amount reimbursed may not affect amounts otherwise obligated by the terms of any bonds, notes, or other funding instruments, or the terms of any redevelopment agreement.

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

(7.7) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005 (the effective date of Public Act 93-961), a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph (7.7) applies only if (i) the library district is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph (7.7) shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed $120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this

paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph (7.7) shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Tax Allocation Fund.

A library district is not eligible for any payment under this paragraph (7.7) unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n);

(9) Payment in lieu of taxes;

(10) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

(11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;

(B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

(D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act; and

(E) the cost limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11).

(F) Instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction

of that housing.

The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

(11.5) If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county, or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

(12) Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

(13) After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

(14) No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934) ~~this amendatory Act of the 95th General Assembly~~, unless no prudent and feasible alternative exists. "Historic resource" for the purpose of this item (14) means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This item (14) does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by this Act.

(r) "State Sales Tax Boundary" means the redevelopment project area or the amended redevelopment project area boundaries which are determined pursuant to subsection (9) of Section 11-74.4-8a of this Act. The Department of Revenue shall certify pursuant to subsection (9) of Section 11-74.4-8a the

appropriate boundaries eligible for the determination of State Sales Tax Increment.

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

(t) "Taxing districts" means counties, townships, cities and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

(v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any

subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

(w) "Annual Total Increment" means the sum of each municipality's annual Net Sales Tax Increment and each municipality's annual Net Utility Tax Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(x) "LEED certified" means any certification level of construction elements by a qualified Leadership in Energy and Environmental Design Accredited Professional as determined by the U.S. Green Building Council.

(Source: P.A. 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff. 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff. 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810, eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07; 94-1092, eff. 1-26-07; 95-15, eff. 7-16-07; 95-164, eff. 1-1-08; 95-331, eff. 8-21-07; 95-346, eff. 8-21-07; 95-459, eff. 8-27-07; 95-653, eff. 1-1-08; 95-662, eff. 10-11-07; 95-683, eff. 10-19-07; 95-709, eff. 1-29-08; 95-876, eff. 8-21-08; 95-932, eff. 8-26-08; 95-934, eff. 8-26-08; 95-964, eff. 9-23-08; 95-977, eff. 9-22-08; 95-1028, eff. 1-1-10; revised 1-27-09.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Harmon offered the following amendment:

AMENDMENT NO. 3 TO SENATE BILL 1601

AMENDMENT NO. 3. Amend Senate Bill 1601, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 2, on page 34, by replacing lines 13 and 14 with "private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;"; and

on page 34, by replacing lines 16 and 17 with "improvements, "including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except"; and

on page 54, immediately below line 13, by inserting the following:

"(y) "Green Globes certified" means any certification level of construction elements by a qualified Green Globes Professional as determined by the Green Building Initiative."; and

on page 88, by replacing lines 1 and 2 with "improvements, "including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except"; and

on page 107, immediately below line 24, by inserting the following:

"(y) "Green Globes certified" means any certification level of construction elements by a qualified Green Globes Professional as determined by the Green Building Initiative.".

Senator Harmon moved the foregoing amendment be ordered to lie on the table.

The motion to table prevailed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1601**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Sandoval
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	Wilhelmi
Delgado	Jones, E.	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 1602** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1602

AMENDMENT NO. __1__. Amend Senate Bill 1602 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Public Service Accountability Act.

Section 5. Definitions. For purposes of this Act:

"State agency" or "agency" means an executive office, department, division, board, commission, or other office or officer in the executive branch of State government.

"Services" means, with respect to a third-party contract, all aspects of the provision of services provided by a private contractor pursuant to a third-party contract, or any services provided by a subcontractor of a private contractor.

"Person" means an individual or a non-governmental institution or entity.

"Third-party contract" means an agreement or combination or series of agreements by which a private contractor agrees with a State agency to provide services valued at $50,000 or more that are substantially similar to and in lieu of services that have been provided by public employees of a State agency.

"Private contractor" means any person that submits a bid to enter into or who enters into a third-party contract as that term is defined in this Section.

"Public employee" means an employee of any State agency.

Section 10. Third-party contracts; requirements.

(a) A State agency may enter into a third-party contract with a private contractor for services currently performed by public employees upon 90 days written notice to the affected public employees and any collective bargaining agent they may have; provided that:

(1) a third-party contract must not be entered into and become effective during the term of a collective bargaining agreement, affecting any public employees who currently perform the services;

(2) a third-party contract may take effect only upon the expiration of an existing collective bargaining agreement applicable to the affected public employees;

(3) any private contractor that submits a bid to perform the services shall provide the following:

(A) evidence of liability insurance of adequate scope and amount;

(B) a benefits package for the private contractor's employees who will perform the services comparable to the benefits package provided to public employees who perform those services;

(C) a list of the number of employees who will provide the services, the job classifications of those employees, and the wages the private contractor will pay those employees;

(D) a minimum 3-year cost projection, using generally accepted accounting principles and which the private contractor is prohibited from increasing if the bid is accepted by the State agency, for each and every expenditure category and account for performing the services;

(E) composite information about the criminal and disciplinary records, including alcohol or other substance abuse, Department of Children and Family Services complaints and investigations, traffic violations, and license revocations or any other licensure problems, of any employees who may perform the services, provided that the individual names and other identifying information of employees need not be provided with the submission of the bid, but must be made available upon request of the State agency; and

(F) an affidavit, notarized by the president or chief executive officer of the private contractor, that each of its employees has completed a criminal background check within 3 months prior to submission of the bid, provided that the results of those background checks need not be provided with the submission of the bid, but must be made available upon request of the State agency.

(4) a third-party contract must not be entered into unless the State agency provides a cost comparison, using generally accepted accounting principles, of each and every expenditure category and account that the State agency projects it would incur over the term of the third-party contract if it continued to perform the services using its own public employees with each and every expenditure category and account that is projected a private contractor would incur if a private contractor performed the services;

(5) review and consideration of all bids by private contractors to perform the services shall take place in open session of a meeting announced and scheduled in accordance with the guidelines normally followed for meetings covered by the Open Meetings Act;

(6) a minimum of 2 public hearings to discuss the State agency's proposal to contract with a private contractor to perform services must be held before the State agency may enter into a third-party contract; the State agency must provide notice to the public of the date, time, and location of the first public hearing on or before the initial date that bids to provide the services are solicited or a minimum of 30 days prior to entering into a third-party contract, whichever provides a greater period of notice;

(7) a third-party contract shall contain provisions requiring the private contractor to offer available employee positions pursuant to the third-party contract to qualified public employees who are laid off because of the third-party contract; and

(8) a third-party contract shall contain provisions requiring the private contractor to comply with a policy of nondiscrimination and equal employment opportunity for all persons and to take affirmative steps to provide equal opportunity for all persons.

(b) Notwithstanding subsection (a) of this Section, the State agency may enter into a third-party contract, of no longer than 3 months in duration, with a private contractor for services currently performed by a public employee or employees for the purpose of augmenting the current workforce in an emergency situation that threatens the safety or health of the public employees or the direct recipients of services, provided that the State agency meets all of its obligations under the Illinois Public Labor Relations Act.

(c) For purposes of this Section, "third-party contract" does not include an agreement with the Department of Human Services to provide services under a rate structure that defines wage rates. For purposes of this Section, "third-party contract" does not include an agreement between a State agency and a private contractor (i) in effect on the effective date of this Act; (ii) for services substantially similar to services provided, in whole or in part, by a private contractor to the State agency on or before the

effective date of this Act; or (iii) for professional services, such as audit, accounting, legal, architectural, or engineering services.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1602

AMENDMENT NO. _2_. Amend Senate Bill 1602, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 6, by replacing all of line 8 and line 9 before the period with the following:

"(iii) for professional services such as auditing, accounting, legal, architectural, information technology, or engineering services".

The motion prevailed.

And the amendment was adopted and ordered printed.

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.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1602**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 49; NAYS 6.

The following voted in the affirmative:

Althoff	Frerichs	Link	Rutherford
Bivins	Garrett	Luechtefeld	Sandoval
Bomke	Haine	Maloney	Schoenberg
Bond	Harmon	Martinez	Silverstein
Clayborne	Holmes	Meeks	Steans
Collins	Hunter	Millner	Sullivan
Cronin	Hutchinson	Munoz	Trotter
Crotty	Jacobs	Noland	Viverito
DeLeo	Jones, E.	Pankau	Wilhelmi
Delgado	Jones, J.	Radogno	Mr. President
Demuzio	Koehler	Raoul	
Dillard	Kotowski	Righter	
Forby	Lightford	Risinger	

The following voted in the negative:

Burzynski	Duffy	Lauzen
Dahl	Hultgren	Murphy

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 1607** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1607

AMENDMENT NO. _2_. Amend Senate Bill 1607, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Environmental Protection Act is amended by changing Sections 3.160, 21, 22.51, 31.1, and 42 and by adding Sections 3.202, 3.442, 22.51a, and 22.54 as follows:

(415 ILCS 5/3.160) (was 415 ILCS 5/3.78 and 3.78a)

Sec. 3.160. Construction or demolition debris.

(a) "General construction or demolition debris" means non-hazardous, uncontaminated materials resulting from the construction, remodeling, repair, and demolition of utilities, structures, and roads, limited to the following: bricks, concrete, and other masonry materials; soil; rock; wood, including non-hazardous painted, treated, and coated wood and wood products; wall coverings; plaster; drywall; plumbing fixtures; non-asbestos insulation; roofing shingles and other roof coverings; reclaimed or other asphalt pavement; glass; plastics that are not sealed in a manner that conceals waste; electrical wiring and components containing no hazardous substances; and piping or metals incidental to any of those materials.

General construction or demolition debris does not include general fill ~~uncontaminated~~ soil generated during construction, remodeling, repair, and demolition of utilities, structures, and roads provided the general fill ~~uncontaminated~~ soil is not commingled with any general construction or demolition debris or other waste.

To the extent allowed by federal law, uncontaminated concrete with protruding rebar shall be considered clean construction or demolition debris and shall not be considered "waste" if it is separated or processed and returned to the economic mainstream in the form of raw materials or products within 4 years of its generation, if it is not speculatively accumulated and, if used as a fill material, it is used in accordance with item (i) in subsection (b) of this Section.

(b) "Clean construction or demolition debris" ("CCDD") means uncontaminated broken concrete without protruding metal bars, bricks, rock, stone, or reclaimed or other asphalt pavement ~~, or soil~~ generated from construction or demolition activities ; provided that concrete without protruding metal bars, bricks, rock, stone, or reclaimed or other asphalt pavement that is generated from the construction or demolition of a road may be considered "clean construction or demolition debris" if it is uncontaminated except for pavement markings that conform to Illinois Department of Transportation specifications.

CCDD also includes general fill soil generated from construction or demolition activities that is mixed with broken concrete without protruding metal bars, bricks, rock, stone, or reclaimed asphalt pavement that is CCDD. CCDD ~~Clean construction or demolition debris~~ does not include general fill ~~uncontaminated~~ soil generated during construction, remodeling, repair, and demolition of utilities, structures, and roads that ~~provided the uncontaminated soil~~ is not commingled with any CCDD ~~clean construction or demolition debris~~ or other waste.

To the extent allowed by federal law, CCDD ~~clean construction or demolition debris~~ shall not be considered "waste" if it is (i) used as fill material outside of a setback zone if (1) the fill is placed no higher than the highest point of elevation existing prior to the filling immediately adjacent to the fill area, and (2) except as otherwise allowed under subdivision (f)(3) of Section 22.51 of this Act it is ~~if~~ covered by sufficient general fill ~~uncontaminated~~ soil to support vegetation within 30 days of the completion of filling or is ~~if~~ covered by a road or structure and, (3) if used as fill material in a current or former quarry, mine, or other excavation, it is used in accordance with the requirements of Sections 22.51 of this Act and rules adopted thereunder, or (ii) separated or processed and returned to the economic mainstream in the form of raw materials or products, if it is not speculatively accumulated and, if used as a fill material, it is used in accordance with item (i), or (iii) solely broken concrete without protruding metal bars used for erosion control, or (iv) generated from the construction or demolition of a building, road, or other structure and used to construct, on the site where the construction or demolition has taken place, a manmade functional structure not to exceed 20 feet above the highest point of elevation of the property immediately adjacent to the new manmade functional structure as that elevation existed prior to the creation of that new structure, provided that the structure shall be covered with sufficient general fill soil ~~materials~~ to sustain vegetation or by a road or structure, and further provided that no such structure shall be constructed within a home rule municipality with a population

over 500,000 without the consent of the municipality.

For purposes of this subsection (b), reclaimed or other asphalt pavement shall not be considered speculatively accumulated if: (i) it is not commingled with any other clean construction or demolition debris or any waste; (ii) it is returned to the economic mainstream in the form of raw materials or products within 4 years after its generation; (iii) at least 25% of the total amount present at a site during a calendar year is transported off of the site during the next calendar year; and (iv) if used as a fill material, it is used in accordance with item (i) of the second paragraph of this subsection (b).

(c) "Painted construction or demolition debris" means broken concrete without protruding metal bars, bricks, rock, stone, or reclaimed or other asphalt pavement generated from construction or demolition activities that contains paint but is otherwise uncontaminated. However, concrete without protruding metal bars, bricks, rock, stone, or reclaimed or other asphalt pavement that is generated from the construction or demolition of a road may be considered "clean construction or demolition debris" instead of "painted construction or demolition debris" if it is uncontaminated except for pavement markings that conform to Illinois Department of Transportation specifications.

(Source: P.A. 94-272, eff. 7-19-05; 95-121, eff. 8-13-07.)

(415 ILCS 5/3.202 new)

Sec. 3.202. General Fill Soil. For purposes of Sections 3.160, 21, 22.51, and 22.51a of this Act, "General Fill Soil" means soil generated from construction or demolition activities that (i) does not exceed the most stringent Tier 1 exposure route values adopted by the Board pursuant to Title XVII of this Act, as amended, (ii) based upon past and current land uses and reasonable inquiry, is not known or suspected to contain a regulated substance or pesticide for which a Tier 1 exposure route value has not been determined, and (iii) does not contain waste. For purposes of this definition, the most stringent Tier 1 exposure route values adopted by the Board pursuant to Title XVII of this Act shall be determined as follows:

(a) Except as otherwise provided in subsections (b) through (d) of this Section, the most stringent Tier 1 exposure route values are the lowest of the following values for each chemical listed in 35 Ill. Adm. Code 742, Appendix B, as amended:

(1) The Ingestion Exposure Route-Specific Value for Soils listed in Table A of 35 Ill. Adm. Code 742, Appendix B;

(2) The Outdoor Inhalation Exposure Route-Specific Value for Soils listed in Table A of 35 Ill. Adm. Code 742, Appendix B;

(3) The Class I Soil Component of the Groundwater Ingestion Exposure Route Value listed in Table A of 35 Ill. Adm. Code 742, Appendix B;

(4) The Construction Worker Ingestion Exposure Route-Specific Value for Soils listed in Table B of 35 Ill. Adm. Code 742, Appendix B;

(5) The Construction Worker Inhalation Exposure Route-Specific Value for Soils listed in Table B of 35 Ill. Adm. Code 742, Appendix B; and

(6) Indoor inhalation exposure route values as may be established by the Board.

Location and other designations, such as residential and industrial/commercial designations, shall be ignored when comparing the values identified in this subsection (a). The lowest values shall be used regardless of designation.

(b) For inorganic chemicals, either the leachable value or the totals value set forth below can be used as the most stringent Tier 1 exposure route value.

(1) The leachable value for each inorganic chemical is the Class I Soil Component of the Groundwater Ingestion Exposure Route Value listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended.

(2) The totals value for each inorganic chemical is the lowest of the following values, as amended:

(A) The Ingestion Exposure Route-Specific Value for Soils listed in Table A of 35 Ill. Adm. Code 742, Appendix B;

(B) The Outdoor Inhalation Exposure Route-Specific Value for Soils listed in Table A of 35 Ill. Adm. Code 742, Appendix B;

(C) The Construction Worker Ingestion Exposure Route-Specific Value for Soils listed in Table B of 35 Ill. Adm. Code 742, Appendix B;

(D) The Construction Worker Inhalation Exposure Route-Specific Value for Soils listed in Table B of 35 Ill. Adm. Code 742, Appendix B;

(E) The Class I pH Specific Soil Remediation Objective listed in the column labeled "pH of 6.25 to 6.64" in Table C of 35 Ill. Adm. Code 742, Appendix B; and

(F) Indoor inhalation exposure route values as may be established by the Board.

Location and other designations, such as residential or industrial/commercial designations, shall be ignored when comparing the values identified in this subdivision (b)(2) of this Section. The lowest values shall be used for all soil regardless of designation.

(c) If a chemical's most stringent Tier 1 exposure route value determined under subsections (a) and (b) of this Section is less than the chemical's acceptable detection limit (ADL) listed in 35 Ill. Adm. Code 742, Appendix B, as amended, then the ADL shall serve as the most stringent Tier 1 exposure route value.

(d) The following applies for soil used as fill material or cover material in Chicago, a Metropolitan Area, or a Non-Metropolitan Area as defined in Table H of 35 Ill. Adm. Code 742, Appendix A:

(1) If a chemical's most stringent Tier 1 exposure route value determined under subsections (a) through (c) of this Section is less than the chemical's lowest background concentration listed in Table H of 35 Ill. Adm. Code 742, Appendix A, as amended, then the chemical's lowest background concentration listed in Table H shall serve as the most stringent Tier 1 exposure route value.

(2) For purposes of this subsection (d), the lowest background concentration listed in Table H shall be used, regardless of whether it is the background concentration listed for Chicago, a Metropolitan Area, or a Non-Metropolitan Area.

The most stringent Tier 1 exposure route values shall be determined solely from the values listed in 35 Ill. Adm. Code 742, Appendix A and Appendix B as provided above. Except as provided in subsection (d) of this Section, background concentrations cannot be used. Other provisions of the Board's rules, such as those pertaining to the use of engineered barriers or institutional controls, cannot be used to exclude or otherwise alter exposure routes or exposure route values for purposes of determining the most stringent Tier 1 exposure route.

The Agency shall maintain on its website a list of the most stringent Tier 1 exposure route values adopted by the Board pursuant to Title XVII of this Act, as amended.

To the extent allowed by federal law, general fill soil is not a waste.

(415 ILCS 5/3.442 new)

Sec. 3.442. Restricted Fill Soil. For purposes of Section 22.51 of this Act, "restricted fill soil" means soil generated from construction or demolition activities that (i) does not exceed the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, (ii) based upon past and current land uses and reasonable inquiry, is not known or suspected to contain a regulated substance or pesticide that does not have a Class I Soil Component of the Groundwater Ingestion Exposure Route Value listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, and (iii) does not contain waste. General fill soil that is mixed with restricted fill soil shall be considered restricted fill soil.

(415 ILCS 5/21) (from Ch. 111 1/2, par. 1021)

Sec. 21. Prohibited acts. No person shall:

(a) Cause or allow the open dumping of any waste.

(b) Abandon, dump, or deposit any waste upon the public highways or other public property, except in a sanitary landfill approved by the Agency pursuant to regulations adopted by the Board.

(c) Abandon any vehicle in violation of the "Abandoned Vehicles Amendment to the Illinois Vehicle Code", as enacted by the 76th General Assembly.

(d) Conduct any waste-storage, waste-treatment, or waste-disposal operation:

(1) without a permit granted by the Agency or in violation of any conditions imposed by such permit, including periodic reports and full access to adequate records and the inspection of facilities, as may be necessary to assure compliance with this Act and with regulations and standards adopted thereunder; provided, however, that, except for municipal solid waste landfill units that receive waste on or after October 9, 1993, no permit shall be required for (i) any person conducting a waste-storage, waste-treatment, or waste-disposal operation for wastes generated by such person's own activities which are stored, treated, or disposed within the site where such wastes are generated, or (ii) a facility located in a county with a population over 700,000 as of January 1, 2000, operated and located in accordance with Section 22.38 of this Act, and used exclusively for the transfer, storage, or treatment of general construction or demolition debris;

(2) in violation of any regulations or standards adopted by the Board under this Act; or

(3) which receives waste after August 31, 1988, does not have a permit issued by the Agency, and is (i) a landfill used exclusively for the disposal of waste generated at the site, (ii) a surface impoundment receiving special waste not listed in an NPDES permit, (iii) a waste pile in which the total volume of waste is greater than 100 cubic yards or the waste is stored for over one year, or (iv) a land treatment facility receiving special waste generated at the site; without giving notice of the operation to the Agency by January 1, 1989, or 30 days after the date on which the

operation commences, whichever is later, and every 3 years thereafter. The form for such notification shall be specified by the Agency, and shall be limited to information regarding: the name and address of the location of the operation; the type of operation; the types and amounts of waste stored, treated or disposed of on an annual basis; the remaining capacity of the operation; and the remaining expected life of the operation.

Item (3) of this subsection (d) shall not apply to any person engaged in agricultural activity who is disposing of a substance that constitutes solid waste, if the substance was acquired for use by that person on his own property, and the substance is disposed of on his own property in accordance with regulations or standards adopted by the Board.

This subsection (d) shall not apply to hazardous waste.

(e) Dispose, treat, store or abandon any waste, or transport any waste into this State for disposal, treatment, storage or abandonment, except at a site or facility which meets the requirements of this Act and of regulations and standards thereunder.

(f) Conduct any hazardous waste-storage, hazardous waste-treatment or hazardous waste-disposal operation:

(1) without a RCRA permit for the site issued by the Agency under subsection (d) of Section 39 of this Act, or in violation of any condition imposed by such permit, including periodic reports and full access to adequate records and the inspection of facilities, as may be necessary to assure compliance with this Act and with regulations and standards adopted thereunder; or

(2) in violation of any regulations or standards adopted by the Board under this Act; or

(3) in violation of any RCRA permit filing requirement established under standards adopted by the Board under this Act; or

(4) in violation of any order adopted by the Board under this Act.

Notwithstanding the above, no RCRA permit shall be required under this subsection or subsection (d) of Section 39 of this Act for any person engaged in agricultural activity who is disposing of a substance which has been identified as a hazardous waste, and which has been designated by Board regulations as being subject to this exception, if the substance was acquired for use by that person on his own property and the substance is disposed of on his own property in accordance with regulations or standards adopted by the Board.

(g) Conduct any hazardous waste-transportation operation:

(1) without registering with and obtaining a permit from the Agency in accordance with the Uniform Program implemented under subsection (l-5) of Section 22.2; or

(2) in violation of any regulations or standards adopted by the Board under this Act.

(h) Conduct any hazardous waste-recycling or hazardous waste-reclamation or hazardous waste-reuse operation in violation of any regulations, standards or permit requirements adopted by the Board under this Act.

(i) Conduct any process or engage in any act which produces hazardous waste in violation of any regulations or standards adopted by the Board under subsections (a) and (c) of Section 22.4 of this Act.

(j) Conduct any special waste transportation operation in violation of any regulations, standards or permit requirements adopted by the Board under this Act. However, sludge from a water or sewage treatment plant owned and operated by a unit of local government which (1) is subject to a sludge management plan approved by the Agency or a permit granted by the Agency, and (2) has been tested and determined not to be a hazardous waste as required by applicable State and federal laws and regulations, may be transported in this State without a special waste hauling permit, and the preparation and carrying of a manifest shall not be required for such sludge under the rules of the Pollution Control Board. The unit of local government which operates the treatment plant producing such sludge shall file a semiannual report with the Agency identifying the volume of such sludge transported during the reporting period, the hauler of the sludge, and the disposal sites to which it was transported. This subsection (j) shall not apply to hazardous waste.

(k) Fail or refuse to pay any fee imposed under this Act.

(l) Locate a hazardous waste disposal site above an active or inactive shaft or tunneled mine or within 2 miles of an active fault in the earth's crust. In counties of population less than 225,000 no hazardous waste disposal site shall be located (1) within 1 1/2 miles of the corporate limits as defined on June 30, 1978, of any municipality without the approval of the governing body of the municipality in an official action; or (2) within 1000 feet of an existing private well or the existing source of a public water supply measured from the boundary of the actual active permitted site and excluding existing private wells on the property of the permit applicant. The provisions of this subsection do not apply to publicly-owned sewage works or the disposal or utilization of sludge from publicly-owned sewage works.

(m) Transfer interest in any land which has been used as a hazardous waste disposal site without

written notification to the Agency of the transfer and to the transferee of the conditions imposed by the Agency upon its use under subsection (g) of Section 39.

(n) Use any land which has been used as a hazardous waste disposal site except in compliance with conditions imposed by the Agency under subsection (g) of Section 39.

(o) Conduct a sanitary landfill operation which is required to have a permit under subsection (d) of this Section, in a manner which results in any of the following conditions:

(1) refuse in standing or flowing waters;

(2) leachate flows entering waters of the State;

(3) leachate flows exiting the landfill confines (as determined by the boundaries established for the landfill by a permit issued by the Agency);

(4) open burning of refuse in violation of Section 9 of this Act;

(5) uncovered refuse remaining from any previous operating day or at the conclusion of any operating day, unless authorized by permit;

(6) failure to provide final cover within time limits established by Board regulations;

(7) acceptance of wastes without necessary permits;

(8) scavenging as defined by Board regulations;

(9) deposition of refuse in any unpermitted portion of the landfill;

(10) acceptance of a special waste without a required manifest;

(11) failure to submit reports required by permits or Board regulations;

(12) failure to collect and contain litter from the site by the end of each operating day;

(13) failure to submit any cost estimate for the site or any performance bond or other security for the site as required by this Act or Board rules.

The prohibitions specified in this subsection (o) shall be enforceable by the Agency either by administrative citation under Section 31.1 of this Act or as otherwise provided by this Act. The specific prohibitions in this subsection do not limit the power of the Board to establish regulations or standards applicable to sanitary landfills.

(p) In violation of subdivision (a) of this Section, cause or allow the open dumping of any waste in a manner which results in any of the following occurrences at the dump site:

(1) litter;

(2) scavenging;

(3) open burning;

(4) deposition of waste in standing or flowing waters;

(5) proliferation of disease vectors;

(6) standing or flowing liquid discharge from the dump site;

(7) deposition of:

(i) general construction or demolition debris as defined in Section 3.160(a) of this Act; or

(ii) clean construction or demolition debris as defined in Section 3.160(b) of this Act.

The prohibitions specified in this subsection (p) shall be enforceable by the Agency either by administrative citation under Section 31.1 of this Act or as otherwise provided by this Act. The specific prohibitions in this subsection do not limit the power of the Board to establish regulations or standards applicable to open dumping.

(q) Conduct a landscape waste composting operation without an Agency permit, provided, however, that no permit shall be required for any person:

(1) conducting a landscape waste composting operation for landscape wastes generated by such person's own activities which are stored, treated or disposed of within the site where such wastes are generated; or

(2) applying landscape waste or composted landscape waste at agronomic rates; or

(3) operating a landscape waste composting facility on a farm, if the facility meets all of the following criteria:

(A) the composting facility is operated by the farmer on property on which the composting material is utilized, and the composting facility constitutes no more than 2% of the property's total acreage, except that the Agency may allow a higher percentage for individual sites where the owner or operator has demonstrated to the Agency that the site's soil characteristics or crop needs require a higher rate;

(B) the property on which the composting facility is located, and any associated property on which the compost is used, is principally and diligently devoted to the production of

agricultural crops and is not owned, leased or otherwise controlled by any waste hauler or generator of nonagricultural compost materials, and the operator of the composting facility is not an employee, partner, shareholder, or in any way connected with or controlled by any such waste hauler or generator;

(C) all compost generated by the composting facility is applied at agronomic rates and used as mulch, fertilizer or soil conditioner on land actually farmed by the person operating the composting facility, and the finished compost is not stored at the composting site for a period longer than 18 months prior to its application as mulch, fertilizer, or soil conditioner;

(D) the owner or operator, by January 1, 1990 (or the January 1 following commencement of operation, whichever is later) and January 1 of each year thereafter, (i) registers the site with the Agency, (ii) reports to the Agency on the volume of composting material received and used at the site, (iii) certifies to the Agency that the site complies with the requirements set forth in subparagraphs (A), (B) and (C) of this paragraph (q)(3), and (iv) certifies to the Agency that all composting material was placed more than 200 feet from the nearest potable water supply well, was placed outside the boundary of the 10-year floodplain or on a part of the site that is floodproofed, was placed at least 1/4 mile from the nearest residence (other than a residence located on the same property as the facility) and there are not more than 10 occupied non-farm residences within 1/2 mile of the boundaries of the site on the date of application, and was placed more than 5 feet above the water table.

For the purposes of this subsection (q), "agronomic rates" means the application of not more than 20 tons per acre per year, except that the Agency may allow a higher rate for individual sites where the owner or operator has demonstrated to the Agency that the site's soil characteristics or crop needs require a higher rate.

(r) Cause or allow the storage or disposal of coal combustion waste unless:

(1) such waste is stored or disposed of at a site or facility for which a permit has been obtained or is not otherwise required under subsection (d) of this Section; or

(2) such waste is stored or disposed of as a part of the design and reclamation of a site or facility which is an abandoned mine site in accordance with the Abandoned Mined Lands and Water Reclamation Act; or

(3) such waste is stored or disposed of at a site or facility which is operating under NPDES and Subtitle D permits issued by the Agency pursuant to regulations adopted by the Board for mine-related water pollution and permits issued pursuant to the Federal Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87) or the rules and regulations thereunder or any law or rule or regulation adopted by the State of Illinois pursuant thereto, and the owner or operator of the facility agrees to accept the waste; and either

(i) such waste is stored or disposed of in accordance with requirements applicable to refuse disposal under regulations adopted by the Board for mine-related water pollution and pursuant to NPDES and Subtitle D permits issued by the Agency under such regulations; or

(ii) the owner or operator of the facility demonstrates all of the following to the Agency, and the facility is operated in accordance with the demonstration as approved by the Agency: (1) the disposal area will be covered in a manner that will support continuous vegetation, (2) the facility will be adequately protected from wind and water erosion, (3) the pH will be maintained so as to prevent excessive leaching of metal ions, and (4) adequate containment or other measures will be provided to protect surface water and groundwater from contamination at levels prohibited by this Act, the Illinois Groundwater Protection Act, or regulations adopted pursuant thereto.

Notwithstanding any other provision of this Title, the disposal of coal combustion waste pursuant to item (2) or (3) of this subdivision (r) shall be exempt from the other provisions of this Title V, and notwithstanding the provisions of Title X of this Act, the Agency is authorized to grant experimental permits which include provision for the disposal of wastes from the combustion of coal and other materials pursuant to items (2) and (3) of this subdivision (r).

(s) After April 1, 1989, offer for transportation, transport, deliver, receive or accept special waste for which a manifest is required, unless the manifest indicates that the fee required under Section 22.8 of this Act has been paid.

(t) Cause or allow a lateral expansion of a municipal solid waste landfill unit on or after October 9, 1993, without a permit modification, granted by the Agency, that authorizes the lateral expansion.

(u) Conduct any vegetable by-product treatment, storage, disposal or transportation operation in violation of any regulation, standards or permit requirements adopted by the Board under this Act. However, no permit shall be required under this Title V for the land application of vegetable by-products

conducted pursuant to Agency permit issued under Title III of this Act to the generator of the vegetable by-products. In addition, vegetable by-products may be transported in this State without a special waste hauling permit, and without the preparation and carrying of a manifest.

(v) (Blank).

(w) Conduct any generation, transportation, or recycling of construction or demolition debris, clean or general, or painted construction or demolition debris or general fill ~~uncontaminated~~ soil or restricted fill soil that is generated during construction, remodeling, repair, and demolition of utilities, structures, and roads that is not commingled with any waste, without the maintenance of documentation identifying the hauler, generator, place of origin of the debris or soil, the weight or volume of the debris or soil, and the location, owner, and operator of the facility where the debris or soil was transferred, disposed, recycled, or treated. This documentation must be maintained by the generator, transporter, or recycler for 3 years. This subsection (w) shall not apply to (1) a permitted pollution control facility that transfers or accepts construction or demolition debris, clean or general, or painted construction or demolition debris or general fill soil or restricted fill ~~uncontaminated~~ soil for final disposal, recycling, or treatment, (2) a public utility (as that term is defined in the Public Utilities Act) or a municipal utility, (3) the Illinois Department of Transportation, ~~or~~ (4) a municipality or a county highway department, with the exception of any municipality or county highway department located within a county having a population of over 3,000,000 inhabitants or located in a county that is contiguous to a county having a population of over 3,000,000 inhabitants , or (5) the Illinois State Toll Highway Authority; but it shall apply to an entity that contracts with a public utility, a municipal utility, the Illinois Department of Transportation, the Illinois State Toll Highway Authority or a municipality or a county highway department. The terms "generation" and "recycling" as used in this subsection do not apply to clean construction or demolition debris when (i) used as fill material below grade outside of a setback zone if covered by sufficient general fill ~~uncontaminated~~ soil to support vegetation within 30 days of the completion of filling or if covered by a road or structure, (ii) solely broken concrete without protruding metal bars is used for erosion control, or (iii) milled asphalt or crushed concrete is used as aggregate in construction of the shoulder of a roadway. The terms "generation" and "recycling", as used in this subsection, do not apply to general fill ~~uncontaminated~~ soil that is not commingled with any waste when (i) used as fill material below grade or contoured to grade, or (ii) used at the site of generation.

(Source: P.A. 93-179, eff. 7-11-03; 94-94, eff. 7-1-05.)

(415 ILCS 5/22.51)

Sec. 22.51. Clean Construction or Demolition Debris Fill Operations.

(a) No person shall conduct any CCDD ~~clean construction or demolition debris~~ fill operation in violation of this Act or any regulations or standards adopted by the Board.

(b)(1)(A) Beginning July 19, 2005 ~~30 days after the effective date of this amendatory Act of the 94th General Assembly~~ but prior to July 1, 2008, no person shall use CCDD ~~clean construction or demolition debris~~ as fill material in a current or former quarry, mine, or other excavation, unless they have applied for an interim authorization from the Agency for the CCDD ~~clean construction or demolition debris~~ fill operation.

(B) The Agency shall approve an interim authorization upon its receipt of a written application for the interim authorization that is signed by the site owner and the site operator, or their duly authorized agent, and that contains the following information: (i) the location of the site where the CCDD ~~clean construction or demolition debris~~ fill operation is taking place, (ii) the name and address of the site owner, (iii) the name and address of the site operator, and (iv) the types and amounts of CCDD ~~clean construction or demolition debris~~ being used as fill material at the site.

(C) The Agency may deny an interim authorization if the site owner or the site operator, or their duly authorized agent, fails to provide to the Agency the information listed in subsection (b)(1)(B) of this Section. Any denial of an interim authorization shall be subject to appeal to the Board in accordance with the procedures of Section 40 of this Act.

(D) No person shall use CCDD ~~clean construction or demolition debris~~ as fill material in a current or former quarry, mine, or other excavation for which the Agency has denied interim authorization under subsection (b)(1)(C) of this Section. The Board may stay the prohibition of this subsection (D) during the pendency of an appeal of the Agency's denial of the interim authorization brought under subsection (b)(1)(C) of this Section.

(2) Beginning September 1, 2006, owners and operators of CCDD ~~clean construction or demolition debris~~ fill operations shall, in accordance with a schedule prescribed by the Agency, submit to the Agency applications for the permits required under this Section. The Agency shall notify owners and operators in writing of the due date for their permit application. The due date shall be no less than 90 days after the date of the

Agency's written notification. Owners and operators who do not receive a written notification from the Agency by October 1, 2007, shall submit a permit application to the Agency by January 1, 2008. The interim authorization of owners and operators who fail to submit a permit application to the Agency by the permit application's due date shall terminate on (i) the due date established by the Agency if the owner or operator received a written notification from the Agency prior to October 1, 2007, or (ii) or January 1, 2008, if the owner or operator did not receive a written notification from the Agency by October 1, 2007.

(3) On and after July 1, 2008, no person shall use CCDD ~~clean construction or demolition debris~~ as fill material in a current or former

quarry, mine, or other excavation (i) without a permit granted by the Agency for the clean construction or demolition debris fill operation or in violation of any conditions imposed by such permit, including periodic reports and full access to adequate records and the inspection of facilities, as may be necessary to assure compliance with this Act and with Board regulations and standards adopted under this Act; or (ii) in violation of any regulations or standards adopted by the Board under this Act.

No person shall use restricted fill soil or painted construction or demolition debris as fill material in a current or former quarry, mine, or other excavation (i) without a permit granted by the Agency or in violation of any conditions imposed by such permit, including periodic reports and full access to adequate records and the inspection of facilities, as may be necessary to assure compliance with this Act and with Board regulations and standards adopted under this Act; or (ii) in violation of any rules or standards adopted by the Board under this Act.

(A) Owners and operators of clean construction or demolition debris fill operations with a permit issued prior to the effective date of this amendatory Act of the 96th General Assembly must, in accordance with a schedule prescribed by the Agency, submit an application for a permit modification to make the permit consistent with the requirements of this Section. The Agency shall notify owners and operators in writing of the due date for the application. The due date shall be no less than 90 days after the date of the Agency's written notification. Owners and operators who do not receive a written notification from the Agency by April 1, 2010, shall submit their application for permit modification by July 1, 2010. Owners and operators seeking a modification that includes the use of restricted fill soil or painted construction or demolition debris as fill material may submit their application for modification prior to the dates set forth in this paragraph or the schedule prescribed by the Agency. Until a permit modification is issued, persons required to submit an application for a permit modification must operate their clean construction or demolition debris fill operation in accordance with the requirements of their permit as modified by the requirements of this Act and Board rules adopted hereunder; provided that until a permit modification is issued no person shall use restricted fill soil or painted construction or demolition debris as fill material without interim authorization under subdivision (b)(3)(B) of this Section.

(B) Prior to January 1, 2011, owners and operators of clean construction or demolition debris fill operations that are required under subdivision (b)(3)(A) of this Section to submit an application for a permit modification may use restricted fill soil or painted construction or demolition debris as fill material at the clean construction or demolition debris fill operation if they obtain interim authorization under this subdivision (b)(3)(B). Within 30 days after receipt of a complete application for interim authorization that includes the following information, the Agency shall approve interim authorization: (i) the owner and the operator of the clean construction or demolition debris fill operation, (ii) the name of the clean construction or demolition debris fill operation and its location, (iii) a copy of the recorded land use restriction required under subdivision (d)(1) of this Section and proof of its recording, and (iv) the signatures of the owner and the operator or their duly authorized agents. The application for interim authorization must be submitted on a form and in a format prescribed by the Agency. Persons using restricted fill soil or painted construction or demolition debris as fill material under an interim authorization must comply with the requirements of subdivisions (d)(1) through (d)(5) of this Section. The interim authorization shall expire 60 days after the date the Agency approves the application for interim authorization unless, within those 60 days, the owner or operator submits an application for a permit modification that includes the use of restricted fill soil or painted construction or demolition debris as fill material. If the application for permit modification is submitted within those 60 days, the interim authorization shall expire on the date the Agency issues its final decision on the application for a permit modification or, if the Agency's decision is appealed, the date of final disposition of the appeal.

(C) Beginning January 1, 2011, no person required under subdivision (b)(3)(A) of this Section to submit an application for a permit modification shall operate a clean construction or demolition debris fill operation without a permit modification granted by the Agency that is consistent with the

requirements of this Section.

(4) This subsection (b) does not apply to:

(A) the use of CCDD, restricted fill soil, or painted construction or demolition debris ~~clean construction or demolition debris~~ as fill material in a current or former quarry, mine, or other excavation located on the site where the clean construction or demolition debris was generated;

(B) the use of CCDD ~~clean construction or demolition debris~~ as fill material in an excavation other than a current or former quarry or mine if this use complies with Illinois Department of Transportation specifications; or

(C) current or former quarries, mines, and other excavations that do not use CCDD, restricted fill soil, or painted construction or demolition debris ~~clean construction or demolition debris~~ as fill material.

(c) In accordance with Title VII of this Act, the Board may adopt regulations to promote the purposes of this Section. The Agency shall consult with the mining and construction industries during the development of any regulations to promote the purposes of this Section.

(1) No later than December 15, 2005, the Agency shall propose to the Board, and no later than September 1, 2006, the Board shall adopt, regulations for the use of CCDD ~~clean construction or demolition debris~~ as fill material in current and former quarries, mines, and other excavations. Such regulations shall include, but shall not be limited to, standards for CCDD ~~clean construction or demolition debris~~ fill operations and the submission and review of permits required under this Section.

(2) Until the Board adopts rules under subsection (c)(1) of this Section, all persons using clean construction or demolition debris as fill material in a current or former quarry, mine, or other excavation shall:

(A) Assure that only CCDD ~~clean construction or demolition debris~~ is being used as fill material by screening each truckload of material received using a device approved by the Agency that detects volatile organic compounds. Such devices may include, but are not limited to, photo ionization detectors. All screening devices shall be operated and maintained in accordance with manufacturer's specifications. Unacceptable fill material shall be rejected from the site; and

(B) Retain for a minimum of 3 years the following information:

(i) The name of the hauler, the name of the generator, and place of origin of the debris or soil;

(ii) The approximate weight or volume of the debris or soil; and

(iii) The date the debris or soil was received.

(d) To the extent allowed by federal law, the Agency shall, in a permit or a permit modification granted under this Section, and in accordance with Sections 39 and 40 of this Act, authorize the use of restricted fill soil and painted construction or demolition debris as fill material at a clean construction or demolition debris fill operation if the requirements of this subsection (d) are met. To the extent allowed by federal law, restricted fill soil and painted construction or demolition debris used as fill material in accordance with the permit and this Section are not waste.

(1) Before restricted fill soil is used as fill material at the clean construction or demolition debris fill operation: (i) a land use restriction that restricts property use to industrial or commercial uses must be recorded in the chain of title for the property on which the clean construction or demolition debris fill operation is located and (ii) proof of the recording must be submitted to the Agency. Upon closure of the clean construction or demolition debris fill operation, the land use restriction may be removed if the site is entered into the Agency's Site Remediation Program and, pursuant to procedures adopted by the Board, the site is demonstrated to meet the Tier 1 residential remediation objectives adopted by the Board pursuant to Title XVII of this Act.

(2) The owner or operator of the clean construction or demolition debris fill operation must develop and implement a closure and post-closure care plan that includes, but is not limited to, the following:

(i) covering all restricted fill soil and painted construction or demolition debris with a minimum of 10 feet of general fill soil, or an engineered barrier approved by the Agency in a permit granted under this Section, within 180 days after completion of filling or as approved by the Agency;

(ii) for all buildings at the site on or after completion of filling, the installation and maintenance of building control technologies as approved by the Agency in accordance with Title XVII of this Act and rules adopted thereunder to prevent indoor inhalation exposures.

(3) Painted construction or demolition debris shall not be used as fill material unless chemical analysis demonstrates that the paint does not exceed the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended. Chemical analysis is not required for pavement markings that conform to Illinois Department of

Transportation specifications.

(4) The owner or operator of the CCDD fill operation must develop and implement a Receipt Control and Screening Plan that includes, but is not limited to, the following:

(A) Documentation from the owner or operator of the site where the restricted fill soil, general fill soil, painted construction or demolition debris, or clean construction or demolition debris was removed that contains the following information for each load received: (i) location of the removal site, (ii) the owner of the removal site, (iii) the site operator or general contractor responsible for removal, and (iv) the hauler of the load.

(B) For all soil, either (i) a certification from the owner or operator of the site from which the soil was removed that the site has never been used for commercial or industrial purposes or (ii) a certification from a Licensed Professional Engineer that the soil is restricted fill soil or general fill soil. Certifications required under subdivision (d)(4)(B) of this Section must be on forms and in a format prescribed by the Agency.

(C) Chemical analysis of paint on painted construction or demolition debris to confirm that the paint does not exceed the Class I Soil Component of the groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended. Chemical analysis is not required for pavement markings that conform to Illinois Department of Transportation specifications.

(D) A visual inspection to confirm that only restricted fill soil, painted construction or demolition debris, clean construction or demolition debris, or general fill soil is being accepted for use as fill.

(E) Screening of the soil with a photo ionization detector or a flame ionization detector, in accordance with procedures approved by the Agency in the CCDD fill operation permit, to confirm that the soil is consistent with the definitions of restricted fill soil or general fill soil and any chemical analysis used to determine that the soil is restricted fill soil or general fill soil.

(F) Confirmation that the soil was not removed from a site as a part of a cleanup or removal of contaminants, including, but not limited to, activities conducted under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; as a part of a Closure or Corrective Action under the Resource Conservation and Recovery Act, as amended; or under an Agency remediation program, such as the Leaking Underground Storage Tank Program or Site Remediation Program, but excluding sites subject to Section 58.16 of this Act where there is no presence or likely presence of a release or a substantial threat of a release of a regulated substance at, on, to, or from the real property.

(G) Documentation of all activities conducted under the Receipt Control and Screening Plan. Documentation of any chemical analysis must include, but is not limited to, (i) a copy of the lab analysis, (ii) accreditation status of the laboratory performing the analysis, and (iii) certification by an authorized agent of the laboratory that the analysis has been performed in accordance with the Agency's rules for the accreditation of environmental laboratories and the scope of accreditation. Documentation must be submitted on forms and in a format prescribed by the Agency.

(5) The owner or operator of the CCDD fill operation must develop and implement a Testing and Sampling Plan which ensures that soil used as fill does not exceed the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended. The Testing and Sampling Plan must include, but is not limited to, the following:

(A) For every 500 cubic yards of soil used as fill, a minimum of one representative soil sample must be screened with an X-ray Fluorescence Spectroscopy instrument in accordance with procedures approved by the Agency in the CCDD fill operation permit. Soil samples must be screened after the soil is placed as fill at the site. If a screening sample indicates that soil may exceed the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, then additional representative soil samples must be collected and analyzed by a laboratory for all of the chemicals listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, to determine whether the soil exceeds the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended. All soil that exceeds the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, must be removed and disposed of at a landfill.

(B) In addition to the screening and sampling required under subdivision (d)(5)(A) of this Section, for every 2,500 cubic yards of soil used as fill a minimum of one representative soil sample must be collected and analyzed by a laboratory for all of the chemicals listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, to determine whether the soil exceeds the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742,

Appendix B, as amended. The samples may be combined into composite samples as approved by the Agency in the CCDD fill operation permit. Copies of the laboratory analytical results must be submitted to the Agency at least quarterly. The results must be submitted in a form and manner prescribed by the Agency. All soil that exceeds the Class I Soil Component of the Groundwater Ingestion Exposure Route Values listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended, must be removed and disposed at a landfill.

~~(d) This Section applies only to clean construction or demolition debris that is not considered "waste" as provided in Section 3.160 of this Act.~~

(e) For purposes of this Section ~~a clean construction or demolition debris fill operation~~:

(1) The term "operator" means a person responsible for the operation and maintenance of a CCDD ~~clean construction or demolition debris~~ fill operation.

(2) The term "owner" means a person who has any direct or indirect interest in a CCDD ~~clean construction or demolition debris~~ fill operation or in land on which a person operates and maintains a CCDD ~~clean construction or demolition debris~~ fill operation. A "direct or indirect interest" does not include the ownership of publicly traded stock. The "owner" is the "operator" if there is no other person who is operating and maintaining a CCDD ~~clean construction or demolition debris~~ fill operation.

(3) The term "clean construction or demolition debris fill operation" means a current or former quarry, mine, or other excavation where clean construction or demolition debris is used as fill material.

(4) The term "other excavation" does not include holes, trenches, or similar earth removal created as part of normal construction, removal, or maintenance of a structure, utility, or transportation infrastructure.

(f) Owners and operators of CCDD fill operations that are not permitted under subsection (d) of this Section to use restricted fill soil or painted construction or demolition debris as fill material must do all of the following:

(1) Develop and implement a Receipt Control and Screening Plan that includes, but is not limited to, the following:

(A) Documentation from the owner or operator of the site where the general fill soil or clean construction or demolition debris was removed that contains the following information for each load received: (i) location of the removal site; (ii) the owner of the removal site; (iii) the site operator or general contractor responsible for removal; and (iv) the hauler of the load.

(B) For all soil, either (i) a certification from the owner or operator of the site from which the soil was removed that the site has never been used for commercial or industrial purposes and is presumed to be general fill soil, or (ii) a certification from a Licensed Professional Engineer that the soil is general fill soil. Certifications required under subdivision (f)(1)(B) of this Section must be on forms and in a format prescribed by the Agency.

(C) A visual inspection to confirm that only clean construction or demolition debris or general fill soil is being accepted for use as fill.

(D) Screening of the soil with a photo ionization detector or a flame ionization detector, in accordance with procedures approved by the Agency in the CCDD fill operation permit, to confirm that the soil is consistent with the definition of general fill soil and any chemical analysis used to determine that the soil is general fill soil.

(E) Confirmation that the soil was not removed from a site as a part of a cleanup or removal of contaminants, including, but not limited to, activities conducted under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; as a part of a Closure or Corrective Action under the Resource Conservation and Recovery Act, as amended; or under an Agency remediation program, such as the Leaking Underground Storage Tank Program or Site Remediation Program, but excluding sites subject to Section 58.16 of this Act where there is no presence or likely presence of a release or a substantial threat of a release of a regulated substance at, on, to, or from the real property.

(F) Documentation of all activities conducted under the Receipt Control and Screening Plan. Documentation of any chemical analysis must include, but is not limited to, (i) a copy of the lab analysis, (ii) accreditation status of the laboratory performing the analysis, and (iii) certification by an authorized agent of the laboratory that the analysis has been performed in accordance with the Agency's rules for the accreditation of environmental laboratories and the scope of accreditation. Documentation must be submitted on forms and in a format prescribed by the Agency.

(2) Develop and implement a Testing and Sampling Plan which ensures that soil used as fill does not exceed the most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act. The most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act

shall be determined in the manner set forth in the definition of general fill soil under Section 3.508 of this Act. The Testing and Sampling Plan must include, but is not limited to, all of the following:

(A) For every 2,500 cubic yards of soil used as fill, a minimum of one representative soil sample must be collected and analyzed by a laboratory for all of the chemicals listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended to determine whether the soil exceeds the most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act. The samples may be combined into composite samples as approved by the Agency in the CCDD fill operation permit. Copies of the laboratory analytical results must be submitted to the Agency in a form and manner to be determined by the Agency at least quarterly. The results must be submitted in a form and manner prescribed by the Agency.

(B) All soil that exceeds the most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act must be removed and disposed at a landfill.

(3) A closure and post-closure care plan that includes, but is not limited to, covering, within 90 days after completion of the filling or as approved by the Agency, all clean construction or demolition debris with a minimum of 3 feet of general fill soil, a road, pavement, or structure.

(g) Owners and operators of clean construction or demolition debris fill operations must maintain all documentation required under this Section until at least 3 years after the date of receipt of the restricted fill soil, painted construction or demolition debris, clean construction or demolition debris, or general fill soil, except that documentation relating to an appeal, litigation, or other disputed claim must be maintained until at least 3 years after the date of the final disposition of the appeal, litigation, or other disputed claim. Copies of the documentation must be made available to the Agency for inspection and copying during normal business hours.

Chemical analysis conducted under this Section must be conducted in accordance with the requirements of 35 Ill. Adm. Code 742 and "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods", USEPA Publication No. SW-846, as amended.

(h) Except at CCDD fill operations permitted under subsection (d) of this Section to use restricted fill soil as fill material, no person shall use soil other than general fill soil as fill material at a CCDD fill operation. At CCDD fill operations permitted under subsection (d) of this Section to use restricted fill soil as fill material, no person shall use soil other than restricted fill soil or general fill soil as fill material.

(h-5) Except at CCDD fill operations permitted under subsection (d) of this Section to use painted construction or demolition debris as fill material, no person shall use construction or demolition debris other than clean construction or demolition debris as fill material at a CCDD fill operation. At CCDD fill operations permitted under subsection (d) of this Section to use painted construction or demolition debris as fill material, no person shall use construction or demolition debris other than painted construction or demolition debris or clean construction or demolition debris as fill material.

(i) No person shall use, or cause or allow the use of, any site on which a land use restriction has been recorded under subdivision (d)(1) of this Section in a manner that is inconsistent with the land use restriction unless the land use restriction has been removed in accordance with subdivision (d)(1) of this Section.

(j) After completion of filling at a CCDD fill operation where restricted fill soil has been used as fill material, no person shall occupy, or cause or allow the occupancy, of any building at the site unless the building control technologies required under subdivision (d)(2) of this Section have been installed and are maintained. No person shall perform any activity that disturbs the building controls technologies unless the site is entered into the Agency's Site Remediation Program and the activity is approved by the Agency as consistent with Title XVII of this Act and rules adopted thereunder.

(l) No person other than the State of Illinois, its agencies and institutions, or a unit of local government shall use restricted fill soil or painted construction or demolition debris as fill material in a current or former quarry, mine, or other excavation unless that person has posted with the Agency a performance bond or other security for the purpose of insuring (i) closure of the site in accordance with this Section and its regulations and (ii) completion of corrective action remedies required under this Act and its regulations. The amount of the performance bond or other security shall be directly related to the design and volume of the site. The cost estimate for the performance bond or other security shall be calculated using a period of time not to exceed 30 years beyond closure and may be a shorter period as may be approved or required by the Agency. Cost estimates shall be in current dollars. Any moneys forfeited to the State from any performance bond or other security required under this subsection shall be placed in the Landfill Closure and Post-Closure Fund and shall, upon approval by the Governor and the Director, be used by and under the direction of the Agency for the purposes for which such performance bond or other security was issued.

The Agency is authorized to enter into such contracts and agreements as it may deem necessary to carry out the purposes of this Section. Neither the State, nor the Director, nor any State employee is liable for any damages or injuries arising out of or resulting from any action taken under this Section. Nothing in this Section shall bar a cause of action by the State for any other penalty or relief provided by this Act or any other law.

The Agency has the authority to approve or disapprove any performance bond or other security posted under this subsection (l). Any person whose performance bond or other security is disapproved by the Agency may contest the disapproval as a permit denial appeal under Section 40 of this Act.

(m) The Agency may establish the procedures it deems necessary to implement and execute its responsibilities under this Section.

(Source: P.A. 94-272, eff. 7-19-05; 94-725, eff. 6-1-06.)

(415 ILCS 5/22.51a new)

Sec. 22.51a. Soil Fill Operations. This Section applies to persons using soil as fill material at a soil fill operation.

(a) For purposes of this Section:

(1) The term "soil fill operation" means a current or former quarry, mine, or other excavation, other than a clean construction or demolition debris fill operation as defined in subdivision (e)(3) of Section 22.51 of this Act, where soil is used as fill material.

(2) The term "other excavation" does not include holes, trenches, or similar earth removal created as part of normal construction, removal, or maintenance of a structure, utility, or transportation infrastructure.

(b) No person shall:

(1) Use soil as fill material at a soil fill operation unless the requirements of this Section are met.

(2) Use soil other than general fill soil as fill material at a soil fill operation.

(3) Use construction or demolition debris, including, but not limited to, painted construction or demolition debris and clean construction or demolition debris, as fill material at a soil fill operation.

(c) On and after January 1, 2010, no person shall use soil as fill material at a soil fill operation unless the owner or operator of the soil fill operation has notified the Agency of the soil fill operation. The notice must be submitted on forms and in a format prescribed by the Agency.

(d) Owners and operators of soil fill operations must do all of the following:

(1) Develop and implement a Receipt Control and Screening Plan that includes, but is not limited to, the following:

(A) For all soil, either (i) a certification from the owner or operator of the site from which the soil was removed that the site has never been used for commercial or industrial purposes or (ii) a certification from a Licensed Professional Engineer that the soil is general fill soil. Certifications required under this subdivision (d)(1)(A) of this Section must be on forms and in format prescribed by the Agency.

(B) A visual inspection to confirm that only general fill soil is being accepted for use as fill.

(C) Screening of the soil with a photo ionization detector or a flame ionization detector to confirm that the soil is consistent with the definition of general fill soil and any chemical analysis used to determine that the soil is general fill soil.

(D) Confirmation that the soil was not removed from a site as a part of the cleanup or removal of contaminants, including, but not limited to, activities conducted under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; as a part of a Closure or Corrective Action under the Resource Conservation and Recovery Act, as amended; or under an Agency remediation program, such as the Leaking Underground Storage Tank Program or Site Remediation Program, but excluding sites subject to Section 58.16 of this Act where there is no presence or likely presence of a release or a substantial threat of a release of a regulated substance at, on, to, or from the real property.

(E) Documentation of all activities conducted under the Receipt Control and Screening Plan. Documentation of any chemical analysis must include, but is not limited to, (i) a copy of the lab analysis, (ii) accreditation status of the laboratory performing the analysis, and (iii) certification by an authorized agent of the laboratory that the analysis has been performed in accordance with the Agency's rules for the accreditation of environmental laboratories and the scope of accreditation. Documentation must be submitted on forms and in a format prescribed by the Agency.

(2) Develop and implement a Testing and Sampling Plan which ensures that soil used as fill does not exceed the most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act. The most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act shall be determined in the manner set forth in the definition of general fill soil under Section 3.508 of this Act. The Testing and Sampling Plan must include, but is not limited to, the following:

(A) For every 5,000 cubic yards of soil used as fill, a minimum of one representative soil sample must be collected and analyzed by a laboratory for all of the chemicals listed in Table A of 35 Ill. Adm. Code 742, Appendix B, as amended to determine whether the soil exceeds the most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act. The samples may be combined into composite samples as approved by the Agency. Copies of the laboratory analytical results must be submitted to the Agency at least quarterly. The results must be submitted in a form and manner prescribed by the Agency.

(B) All soil that exceeds the most stringent Tier 1 exposure route values adopted by the Board under Title XVII of this Act must be removed and disposed of at a landfill.

(e) Owners and operators of soil fill operations must maintain all documentation required under this Section until at least 3 years after the date of receipt of the soil, except that documentation relating to an appeal, litigation, or other disputed claim must be maintained until at least 3 years after the date of the final disposition of the appeal, litigation, or other disputed claim. Copies of the documentation must be made available to the Agency for inspection and copying during normal business hours.

Chemical analysis conducted under this Section must be conducted in accordance with the requirements of 35 Ill. Adm. Code 742, as amended, and "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods", USEPA Publication No. SW-846, as amended.

(415 ILCS 5/22.54 new)

Sec. 22.54. Intergovernmental agreements. Notwithstanding any other provisions of this Act, to the extent allowed by federal law the Agency may, through intergovernmental agreements, authorize reuse of soil and clean construction or demolition debris by State agencies, or by counties with a population of 3,000,000 or more, or by units of local government located in a county with a population of 3,000,000 or more, as long as the reuse is protective of human health and the environment.

To the extent allowed by federal law, no permit is required for the reuse of soil or clean construction or demolition debris under agreements entered into under this Section. To the extent allowed by federal law, soil and clean construction or demolition debris reused under agreements entered into under this Section are not waste. Intergovernmental Agreements are not required for the purpose of reuse of general fill soil or for the purpose of reuse of soil or clean construction or demolition debris on the site from which it was removed.

(415 ILCS 5/31.1) (from Ch. 111 1/2, par. 1031.1)

Sec. 31.1. Administrative citation.

(a) The prohibitions specified in subsections (o) and (p) of Section 21 and in Sections 22.51 and 22.51a of this Act shall be enforceable either by administrative citation under this Section or as otherwise provided by this Act.

(b) Whenever Agency personnel or personnel of a unit of local government to which the Agency has delegated its functions pursuant to subsection (r) of Section 4 of this Act, on the basis of direct observation, determine that any person has violated any provision of subsection (o) or (p) of Section 21 or any provision of Section 22.51 or 22.51a of this Act, the Agency or such unit of local government may issue and serve an administrative citation upon such person within not more than 60 days after the date of the observed violation. Each such citation issued shall be served upon the person named therein or such person's authorized agent for service of process, and shall include the following information:

(1) a statement specifying the provisions of subsection (o) or (p) of Section 21 or the provisions of Section 22.51 or 22.51a of which the person was observed to be in violation;

(2) a copy of the inspection report in which the Agency or local government recorded the violation, which report shall include the date and time of inspection, and weather conditions prevailing during the inspection;

(3) the penalty imposed by subdivision (b)(4), ~~or~~ (b)(4-5) , or (b)(6) of Section 42 for such violation;

(4) instructions for contesting the administrative citation findings pursuant to this Section, including notification that the person has 35 days within which to file a petition for review before the Board to contest the administrative citation; and

(5) an affidavit by the personnel observing the violation, attesting to their material actions and observations.

(c) The Agency or unit of local government shall file a copy of each administrative citation served under subsection (b) of this Section with the Board no later than 10 days after the date of service.

(d) (1) If the person named in the administrative citation fails to petition the Board for review within 35 days from the date of service, the Board shall adopt a final order, which shall include the administrative citation and findings of violation as alleged in the citation, and shall impose the penalty

specified in subdivision (b)(4), ~~or~~ (b)(4-5) , or (b)(6) of Section 42.

(2) If a petition for review is filed before the Board to contest an administrative citation issued under subsection (b) of this Section, the Agency or unit of local government shall appear as a complainant at a hearing before the Board to be conducted pursuant to Section 32 of this Act at a time not less than 21 days after notice of such hearing has been sent by the Board to the Agency or unit of local government and the person named in the citation. In such hearings, the burden of proof shall be on the Agency or unit of local government. If, based on the record, the Board finds that the alleged violation occurred, it shall adopt a final order which shall include the administrative citation and findings of violation as alleged in the citation, and shall impose the penalty specified in subdivision (b)(4), ~~or~~ (b)(4-5) , or (b)(6) of Section 42. However, if the Board finds that the person appealing the citation has shown that the violation resulted from uncontrollable circumstances, the Board shall adopt a final order which makes no finding of violation and which imposes no penalty.

(e) Sections 10-25 through 10-60 of the Illinois Administrative Procedure Act shall not apply to any administrative citation issued under subsection (b) of this Section.

(f) The other provisions of this Section shall not apply to a sanitary landfill operated by a unit of local government solely for the purpose of disposing of water and sewage treatment plant sludges, including necessary stabilizing materials.

(g) All final orders issued and entered by the Board pursuant to this Section shall be enforceable by injunction, mandamus or other appropriate remedy, in accordance with Section 42 of this Act.

(Source: P.A. 92-16, eff. 6-28-01.)

(415 ILCS 5/42) (from Ch. 111 1/2, par. 1042)

Sec. 42. Civil penalties.

(a) Except as provided in this Section, any person that violates any provision of this Act or any regulation adopted by the Board, or any permit or term or condition thereof, or that violates any order of the Board pursuant to this Act, shall be liable for a civil penalty of not to exceed $50,000 for the violation and an additional civil penalty of not to exceed $10,000 for each day during which the violation continues; such penalties may, upon order of the Board or a court of competent jurisdiction, be made payable to the Environmental Protection Trust Fund, to be used in accordance with the provisions of the Environmental Protection Trust Fund Act.

(b) Notwithstanding the provisions of subsection (a) of this Section:

(1) Any person that violates Section 12(f) of this Act or any NPDES permit or term or condition thereof, or any filing requirement, regulation or order relating to the NPDES permit program, shall be liable to a civil penalty of not to exceed $10,000 per day of violation.

(2) Any person that violates Section 12(g) of this Act or any UIC permit or term or condition thereof, or any filing requirement, regulation or order relating to the State UIC program for all wells, except Class II wells as defined by the Board under this Act, shall be liable to a civil penalty not to exceed $2,500 per day of violation; provided, however, that any person who commits such violations relating to the State UIC program for Class II wells, as defined by the Board under this Act, shall be liable to a civil penalty of not to exceed $10,000 for the violation and an additional civil penalty of not to exceed $1,000 for each day during which the violation continues.

(3) Any person that violates Sections 21(f), 21(g), 21(h) or 21(i) of this Act, or any RCRA permit or term or condition thereof, or any filing requirement, regulation or order relating to the State RCRA program, shall be liable to a civil penalty of not to exceed $25,000 per day of violation.

(4) In an administrative citation action under Section 31.1 of this Act, any person found to have violated any provision of subsection (o) of Section 21 of this Act shall pay a civil penalty of $500 for each violation of each such provision, plus any hearing costs incurred by the Board and the Agency. Such penalties shall be made payable to the Environmental Protection Trust Fund, to be used in accordance with the provisions of the Environmental Protection Trust Fund Act; except that if a unit of local government issued the administrative citation, 50% of the civil penalty shall be payable to the unit of local government.

(4-5) In an administrative citation action under Section 31.1 of this Act, any person found to have violated any provision of subsection (p) of Section 21 of this Act shall pay a civil penalty of $1,500 for each violation of each such provision, plus any hearing costs incurred by the Board and the Agency, except that the civil penalty amount shall be $3,000 for each violation of any provision of subsection (p) of Section 21 that is the person's second or subsequent adjudication violation of that provision. The penalties shall be deposited into the Environmental Protection Trust Fund, to be used in accordance with the provisions of the Environmental Protection Trust Fund Act; except that if a unit of local government issued the administrative citation, 50% of the civil penalty

shall be payable to the unit of local government.

(5) Any person who violates subsection 6 of Section 39.5 of this Act or any CAAPP permit, or term or condition thereof, or any fee or filing requirement, or any duty to allow or carry out inspection, entry or monitoring activities, or any regulation or order relating to the CAAPP shall be liable for a civil penalty not to exceed $10,000 per day of violation.

(6) In an administrative citation action under Section 31.1 of this Act, any person without a permit issued under Section 22.51 of this Act that is found to have violated any provision of Section 22.51 of this Act shall pay a civil penalty of $1,500 for each violation of each provision, plus any hearing costs incurred by the Board and the Agency, except that the civil penalty amount shall be $3,000 for each violation of any provision of Section 22.51 that is the person's second or subsequent adjudicated violation of that provision. Any person with a permit issued under Section 22.51 of this Act that is found to have violated any provision of Section 22.51 or the permit, or any person that is found to have violated Section 22.51a of this Act, shall pay a civil penalty of $1,000 for each violation of each provision, plus any hearing costs incurred by the Board and the Agency, except that the civil penalty amount shall be $2,000 for each violation of any provision of Section 22.51, the permit, or Section 22.51a, that is the person's second or subsequent adjudicated violation of that provision. The penalties shall be deposited into the Environmental Protection Trust Fund, to be used in accordance with the provisions of the Environmental Protection Trust Fund Act; except that if a delegated unit of local government issued the administrative citation, 50% of the civil penalty shall be payable to the unit of local government.

(b.5) In lieu of the penalties set forth in subsections (a) and (b) of this Section, any person who fails to file, in a timely manner, toxic chemical release forms with the Agency pursuant to Section 25b-2 of this Act shall be liable for a civil penalty of $100 per day for each day the forms are late, not to exceed a maximum total penalty of $6,000. This daily penalty shall begin accruing on the thirty-first day after the date that the person receives the warning notice issued by the Agency pursuant to Section 25b-6 of this Act; and the penalty shall be paid to the Agency. The daily accrual of penalties shall cease as of January 1 of the following year. All penalties collected by the Agency pursuant to this subsection shall be deposited into the Environmental Protection Permit and Inspection Fund.

(c) Any person that violates this Act, any rule or regulation adopted under this Act, any permit or term or condition of a permit, or any Board order and causes the death of fish or aquatic life shall, in addition to the other penalties provided by this Act, be liable to pay to the State an additional sum for the reasonable value of the fish or aquatic life destroyed. Any money so recovered shall be placed in the Wildlife and Fish Fund in the State Treasury.

(d) The penalties provided for in this Section may be recovered in a civil action.

(e) The State's Attorney of the county in which the violation occurred, or the Attorney General, may, at the request of the Agency or on his own motion, institute a civil action for an injunction, prohibitory or mandatory, to restrain violations of this Act, any rule or regulation adopted under this Act, any permit or term or condition of a permit, or any Board order, or to require such other actions as may be necessary to address violations of this Act, any rule or regulation adopted under this Act, any permit or term or condition of a permit, or any Board order.

(f) The State's Attorney of the county in which the violation occurred, or the Attorney General, shall bring such actions in the name of the people of the State of Illinois. Without limiting any other authority which may exist for the awarding of attorney's fees and costs, the Board or a court of competent jurisdiction may award costs and reasonable attorney's fees, including the reasonable costs of expert witnesses and consultants, to the State's Attorney or the Attorney General in a case where he has prevailed against a person who has committed a wilful, knowing or repeated violation of this Act, any rule or regulation adopted under this Act, any permit or term or condition of a permit, or any Board order.

Any funds collected under this subsection (f) in which the Attorney General has prevailed shall be deposited in the Hazardous Waste Fund created in Section 22.2 of this Act. Any funds collected under this subsection (f) in which a State's Attorney has prevailed shall be retained by the county in which he serves.

(g) All final orders imposing civil penalties pursuant to this Section shall prescribe the time for payment of such penalties. If any such penalty is not paid within the time prescribed, interest on such penalty at the rate set forth in subsection (a) of Section 1003 of the Illinois Income Tax Act, shall be paid for the period from the date payment is due until the date payment is received. However, if the time for payment is stayed during the pendency of an appeal, interest shall not accrue during such stay.

(h) In determining the appropriate civil penalty to be imposed under subdivisions (a), (b)(1), (b)(2), (b)(3), or (b)(5) of this Section, the Board is authorized to consider any matters of record in mitigation or

aggravation of penalty, including but not limited to the following factors:

(1) the duration and gravity of the violation;

(2) the presence or absence of due diligence on the part of the respondent in attempting to comply with requirements of this Act and regulations thereunder or to secure relief therefrom as provided by this Act;

(3) any economic benefits accrued by the respondent because of delay in compliance with requirements, in which case the economic benefits shall be determined by the lowest cost alternative for achieving compliance;

(4) the amount of monetary penalty which will serve to deter further violations by the respondent and to otherwise aid in enhancing voluntary compliance with this Act by the respondent and other persons similarly subject to the Act;

(5) the number, proximity in time, and gravity of previously adjudicated violations of this Act by the respondent;

(6) whether the respondent voluntarily self-disclosed, in accordance with subsection (i) of this Section, the non-compliance to the Agency; and

(7) whether the respondent has agreed to undertake a "supplemental environmental project," which means an environmentally beneficial project that a respondent agrees to undertake in settlement of an enforcement action brought under this Act, but which the respondent is not otherwise legally required to perform.

In determining the appropriate civil penalty to be imposed under subsection (a) or paragraph (1), (2), (3), or (5) of subsection (b) of this Section, the Board shall ensure, in all cases, that the penalty is at least as great as the economic benefits, if any, accrued by the respondent as a result of the violation, unless the Board finds that imposition of such penalty would result in an arbitrary or unreasonable financial hardship. However, such civil penalty may be off-set in whole or in part pursuant to a supplemental environmental project agreed to by the complainant and the respondent.

(i) A person who voluntarily self-discloses non-compliance to the Agency, of which the Agency had been unaware, is entitled to a 100% reduction in the portion of the penalty that is not based on the economic benefit of non-compliance if the person can establish the following:

(1) that the non-compliance was discovered through an environmental audit or a compliance management system documented by the regulated entity as reflecting the regulated entity's due diligence in preventing, detecting, and correcting violations;

(2) that the non-compliance was disclosed in writing within 30 days of the date on which the person discovered it;

(3) that the non-compliance was discovered and disclosed prior to:

(i) the commencement of an Agency inspection, investigation, or request for information;

(ii) notice of a citizen suit;

(iii) the filing of a complaint by a citizen, the Illinois Attorney General, or the State's Attorney of the county in which the violation occurred;

(iv) the reporting of the non-compliance by an employee of the person without that person's knowledge; or

(v) imminent discovery of the non-compliance by the Agency;

(4) that the non-compliance is being corrected and any environmental harm is being remediated in a timely fashion;

(5) that the person agrees to prevent a recurrence of the non-compliance;

(6) that no related non-compliance events have occurred in the past 3 years at the same facility or in the past 5 years as part of a pattern at multiple facilities owned or operated by the person;

(7) that the non-compliance did not result in serious actual harm or present an imminent and substantial endangerment to human health or the environment or violate the specific terms of any judicial or administrative order or consent agreement;

(8) that the person cooperates as reasonably requested by the Agency after the disclosure; and

(9) that the non-compliance was identified voluntarily and not through a monitoring, sampling, or auditing procedure that is required by statute, rule, permit, judicial or administrative order, or consent agreement.

If a person can establish all of the elements under this subsection except the element set forth in paragraph (1) of this subsection, the person is entitled to a 75% reduction in the portion of the penalty that is not based upon the economic benefit of non-compliance.

(j) In addition to an other remedy or penalty that may apply, whether civil or criminal, any person who

violates Section 22.52 of this Act shall be liable for an additional civil penalty of up to 3 times the gross amount of any pecuniary gain resulting from the violation.
(Source: P.A. 94-272, eff. 7-19-05; 94-580, eff. 8-12-05; 95-331, eff. 8-21-07.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1607**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAY 1; Present 1.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Raoul
Bivins	Forby	Lauzen	Righter
Bomke	Frerichs	Lightford	Risinger
Bond	Garrett	Link	Rutherford
Brady	Haine	Luechtefeld	Schoenberg
Burzynski	Harmon	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Munoz	Viverito
DeLeo	Jacobs	Murphy	
Delgado	Jones, E.	Noland	
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	

The following voted in the negative:

Wilhelmi

The following voted present:

Mr. President

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 1609** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1609

AMENDMENT NO. 1. Amend Senate Bill 1609 by replacing everything after the enacting clause with the following:

"Section 5. The Design-Build Procurement Act is amended by changing Section 30 as follows:

(30 ILCS 537/30)

(Section scheduled to be repealed on July 1, 2009)

Sec. 30. Procedures for Selection.

(a) The State construction agency must use a two-phase procedure for the selection of the successful design-build entity. Phase I of the procedure will evaluate and shortlist the design-build entities based on qualifications, and Phase II will evaluate the technical and cost proposals.

(b) The State construction agency shall include in the request for proposal the evaluating factors to be used in Phase I. These factors are in addition to any prequalification requirements of design-build entities that the agency has set forth. Each request for proposal shall establish the relative importance assigned to each evaluation factor and subfactor, including any weighting of criteria to be employed by the State construction agency. The State construction agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The State construction agency shall include the following criteria in every Phase I evaluation of design-build entities: (1) experience of personnel; (2) successful experience with similar project types; (3) financial capability; (4) timeliness of past performance; (5) experience with similarly sized projects; (6) successful reference checks of the firm; (7) commitment to assign personnel for the duration of the project and qualifications of the entity's consultants; and (8) ability or past performance in meeting or exhausting good faith efforts to meet the utilization goals for business enterprises established in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act and with Section 2-105 of the Illinois Human Rights Act. The State construction agency may include any additional relevant criteria in Phase I that it deems necessary for a proper qualification review.

The State construction agency may not consider any design-build entity for evaluation or award if the entity has any pecuniary interest in the project or has other relationships or circumstances, including but not limited to, long-term leasehold, mutual performance, or development contracts with the State construction agency, that may give the design-build entity a financial or tangible advantage over other design-build entities in the preparation, evaluation, or performance of the design-build contract or that create the appearance of impropriety. No proposal shall be considered that does not include an entity's plan to comply with the requirements established in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, for both the design and construction areas of performance, and with Section 2-105 of the Illinois Human Rights Act.

Upon completion of the qualifications evaluation, the State construction agency shall create a shortlist of the most highly qualified design-build entities. The State construction agency, in its discretion, is not required to shortlist the maximum number of entities as identified for Phase II evaluation, provided however, no less than 2 design-build entities nor more than 6 are selected to submit Phase II proposals.

The State construction agency shall notify the entities selected for the shortlist in writing. This notification shall commence the period for the preparation of the Phase II technical and cost evaluations. The State construction agency must allow sufficient time for the shortlist entities to prepare their Phase II submittals considering the scope and detail requested by the State agency.

(c) The State construction agency shall include in the request for proposal the evaluating factors to be used in the technical and cost submission components of Phase II. Each request for proposal shall establish, for both the technical and cost submission components of Phase II, the relative importance assigned to each evaluation factor and subfactor, including any weighting of criteria to be employed by the State construction agency. The State construction agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The State construction agency shall include the following criteria in every Phase II technical evaluation of design-build entities: (1) compliance with objectives of the project; (2) compliance of proposed services to the request for proposal requirements; (3) quality of products or materials proposed; (4) quality of design parameters; (5) design concepts; (6) innovation in meeting the scope and performance criteria; and (7) constructability of the proposed project. The State construction agency may include any additional relevant technical evaluation factors it deems necessary for proper selection.

The State construction agency shall include the following criteria in every Phase II cost evaluation: the total project cost, the construction costs, and the time of completion. The State construction agency may include any additional relevant technical evaluation factors it deems necessary for proper selection.

The total project cost criteria weighing factor shall be 25%.

The State construction agency shall directly employ or retain a licensed design professional to evaluate the technical and cost submissions to determine if the technical submissions are in accordance with generally accepted industry standards.

Upon completion of the technical submissions and cost submissions evaluation, the State construction agency may award the design-build contract to the highest overall ranked entity.

(Source: P.A. 94-716, eff. 12-13-05.)

(30 ILCS 537/90 rep.)

Section 10. The Design-Build Procurement Act is amended by repealing Section 90.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1609**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 58; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Harmon	Martinez	Silverstein
Clayborne	Hendon	McCarter	Steans
Collins	Holmes	Meeks	Sullivan
Cronin	Hultgren	Millner	Syverson
Crotty	Hunter	Munoz	Trotter
Dahl	Hutchinson	Murphy	Viverito
DeLeo	Jacobs	Noland	Wilhelmi
Delgado	Jones, E.	Pankau	Mr. President
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILLS RECALLED

On motion of Senator Harmon, **Senate Bill No. 1715** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1715

AMENDMENT NO. _2_. Amend Senate Bill 1715, AS AMENDED, by replacing everything after

the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Section 7 as follows:
(5 ILCS 315/7) (from Ch. 48, par. 1607)

Sec. 7. Duty to bargain. A public employer and the exclusive representative have the authority and the duty to bargain collectively set forth in this Section.

For the purposes of this Act, "to bargain collectively" means the performance of the mutual obligation of the public employer or his designated representative and the representative of the public employees to meet at reasonable times, including meetings in advance of the budget-making process, and to negotiate in good faith with respect to wages, hours, and other conditions of employment, not excluded by Section 4 of this Act, or the negotiation of an agreement, or any question arising thereunder and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession.

The duty "to bargain collectively" shall also include an obligation to negotiate over any matter with respect to wages, hours and other conditions of employment, not specifically provided for in any other law or not specifically in violation of the provisions of any law. If any other law pertains, in part, to a matter affecting the wages, hours and other conditions of employment, such other law shall not be construed as limiting the duty "to bargain collectively" and to enter into collective bargaining agreements containing clauses which either supplement, implement, or relate to the effect of such provisions in other laws.

The duty "to bargain collectively" shall also include negotiations as to the terms of a collective bargaining agreement. The parties may, by mutual agreement, provide for arbitration of impasses resulting from their inability to agree upon wages, hours and terms and conditions of employment to be included in a collective bargaining agreement. Such arbitration provisions shall be subject to the Illinois "Uniform Arbitration Act" unless agreed by the parties.

The duty "to bargain collectively" shall also mean that no party to a collective bargaining contract shall terminate or modify such contract, unless the party desiring such termination or modification:

(1) serves a written notice upon the other party to the contract of the proposed termination or modification 60 days prior to the expiration date thereof, or in the event such contract contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification;

(2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;

(3) notifies the Board within 30 days after such notice of the existence of a dispute, provided no agreement has been reached by that time; and

(4) continues in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing contract for a period of 60 days after such notice is given to the other party or until the expiration date of such contract, whichever occurs later.

The duties imposed upon employers, employees and labor organizations by paragraphs (2), (3) and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization, which is a party to the contract, has been superseded as or ceased to be the exclusive representative of the employees pursuant to the provisions of subsection (a) of Section 9, and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract.

Collective bargaining for personal care attendants and personal assistants under the Home Services Program shall be limited to the terms and conditions of employment under the State's control, as defined in the amendatory Act of the 93rd General Assembly.

Collective bargaining for child and day care home providers under the child care assistance program shall be limited to the terms and conditions of employment under the State's control, as defined in this amendatory Act of the 94th General Assembly.

<u>Notwithstanding any other provision of this Section, whenever collective bargaining is for the purpose of establishing an initial agreement following certification of units with less than 35 employees, with respect to public employees other than peace officers, fire fighters, and security employees, the following apply:</u>

<u>(1) Not later than 10 days after receiving a written request for collective bargaining from an individual or labor organization that has been newly organized or certified as a representative as defined in Section 6(c), or within such further period as the parties agree upon, the parties shall meet and commence to bargain collectively and shall make every reasonable effort to conclude and sign a collective bargaining agreement.</u>

(2) If after the expiration of the 90-day period beginning on the date on which bargaining is commenced, or such additional period as the parties may agree upon, the parties have failed to reach an agreement, either party may notify the Illinois Public Labor Relations Board of the existence of a dispute and request mediation. Whenever such a request is received, it shall be the duty of the Board promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

(3) If after the expiration of the 30-day period beginning on the date on which the request for mediation is made under paragraph (2), or such additional period as the parties may agree upon, the mediator is not able to bring the parties to agreement by conciliation, the mediator shall refer the dispute to an arbitration board established in accordance with this Act. The arbitration panel shall render a decision settling the dispute and such decision shall be binding upon the parties for a period of 2 years, unless amended during such period by written consent of the parties.

(Source: P.A. 93-204, eff. 7-16-03; 94-320, eff. 1-1-06.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

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 Crotty, **Senate Bill No. 27** was recalled from the order of third reading to the order of second reading.

Senator Crotty offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 27

AMENDMENT NO. 2. Amend Senate Bill 27, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 3, in line 20, by inserting after "signs" the following: ", as federal guidelines will allow,".

The motion prevailed.

And the amendment was adopted and ordered printed.

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 Pankau, **Senate Bill No. 47** was recalled from the order of third reading to the order of second reading.

Senator Pankau offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 47

AMENDMENT NO. 2. Amend Senate Bill 47 by replacing line 21 on page 1 through line 3 on page 2 with the following:

"within 15 days of its execution. For each State contract awarded on or after the effective date of this amendatory Act of the 96th General Assembly that includes goods or supplies, the Comptroller shall publish on his or her official website the rate per metric unit of each of the goods or supplies, provided that the information required to publish the rate is not considered proprietary competitive information.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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 Steans, **Senate Bill No. 99** was recalled from the order of third reading to the order of second reading.

Senator Steans offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 99

AMENDMENT NO. 2 . Amend Senate Bill 99 by replacing everything after the enacting clause with the following:

"Section 5. The Environmental Protection Act is amended by changing Sections 3.330, 22.26, and 22.34 and by adding Sections 3.197 and 3.282 as follows:

(415 ILCS 5/3.197 new)

Sec. 3.197. Food scrap. "Food scrap" means garbage that is (i) capable of being decomposed into compost by composting, (ii) separated by the generator from other waste, including, but not limited to, garbage that is not capable of being decomposed into compost by composting, and (iii) managed separately from other waste, including, but not limited to, garbage that is not capable of being decomposed into compost by composting. "Food scrap" includes, but is not limited to, packaging, utensils, and food containers composed of readily biodegradable material. For the purposes of this Section, packaging, utensils, and food containers are readily biodegradable if they meet the ASTM D6400 standard.

(415 ILCS 5/3.282 new)

Sec. 3.282. Livestock waste. "Livestock waste" means "livestock waste" as defined in the Livestock Management Facilities Act.

(415 ILCS 5/3.330) (was 415 ILCS 5/3.32)

Sec. 3.330. Pollution control facility.

(a) "Pollution control facility" is any waste storage site, sanitary landfill, waste disposal site, waste transfer station, waste treatment facility, or waste incinerator. This includes sewers, sewage treatment plants, and any other facilities owned or operated by sanitary districts organized under the Metropolitan Water Reclamation District Act.

The following are not pollution control facilities:

(1) (blank);

(2) waste storage sites regulated under 40 CFR, Part 761.42;

(3) sites or facilities used by any person conducting a waste storage, waste treatment, waste disposal, waste transfer or waste incineration operation, or a combination thereof, for wastes generated by such person's own activities, when such wastes are stored, treated, disposed of, transferred or incinerated within the site or facility owned, controlled or operated by such person, or when such wastes are transported within or between sites or facilities owned, controlled or operated by such person;

(4) sites or facilities at which the State is performing removal or remedial action pursuant to Section 22.2 or 55.3;

(5) abandoned quarries used solely for the disposal of concrete, earth materials, gravel, or aggregate debris resulting from road construction activities conducted by a unit of government or construction activities due to the construction and installation of underground pipes, lines, conduit or wires off of the premises of a public utility company which are conducted by a public utility;

(6) sites or facilities used by any person to specifically conduct a landscape composting operation;

(7) regional facilities as defined in the Central Midwest Interstate Low-Level Radioactive Waste Compact;

(8) the portion of a site or facility where coal combustion wastes are stored or disposed of in accordance with subdivision (r)(2) or (r)(3) of Section 21;

(9) the portion of a site or facility used for the collection, storage or processing of waste tires as defined in Title XIV;

(10) the portion of a site or facility used for treatment of petroleum contaminated materials by application onto or incorporation into the soil surface and any portion of that site or facility used for storage of petroleum contaminated materials before treatment. Only those categories of petroleum listed in Section 57.9(a)(3) are exempt under this subdivision (10);

(11) the portion of a site or facility where used oil is collected or stored prior to shipment to a recycling or energy recovery facility, provided that the used oil is generated by households or commercial establishments, and the site or facility is a recycling center or a business where oil or gasoline is sold at retail;

(11.5) processing sites or facilities that receive only on-specification used oil, as defined in 35 Ill. Admin. Code 739, originating from used oil collectors for processing that is managed under 35 Ill. Admin. Code 739 to produce products for sale to off-site petroleum facilities, if these processing sites or facilities are: (i) located within a home rule unit of local government with a

population of at least 30,000 according to the 2000 federal census, that home rule unit of local government has been designated as an Urban Round II Empowerment Zone by the United States Department of Housing and Urban Development, and that home rule unit of local government has enacted an ordinance approving the location of the site or facility and provided funding for the site or facility; and (ii) in compliance with all applicable zoning requirements;

(12) the portion of a site or facility utilizing coal combustion waste for stabilization and treatment of only waste generated on that site or facility when used in connection with response actions pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the federal Resource Conservation and Recovery Act of 1976, or the Illinois Environmental Protection Act or as authorized by the Agency;

(13) the portion of a site or facility accepting exclusively general construction or demolition debris, located in a county with a population over 700,000 as of January 1, 2000, and operated and located in accordance with Section 22.38 of this Act;

(14) the portion of a site or facility, located within a unit of local government that has enacted local zoning requirements, used to accept, separate, and process uncontaminated broken concrete, with or without protruding metal bars, provided that the uncontaminated broken concrete and metal bars are not speculatively accumulated, are at the site or facility no longer than one year after their acceptance, and are returned to the economic mainstream in the form of raw materials or products;

(15) the portion of a site or facility located in a county with a population over 3,000,000 that has obtained local siting approval under Section 39.2 of this Act for a municipal waste incinerator on or before July 1, 2005 and that is used for a non-hazardous waste transfer station;

(16) a site or facility that temporarily holds in transit for 10 days or less, non-petruscible solid waste in original containers, no larger in capacity than 500 gallons, provided that such waste is further transferred to a recycling, disposal, treatment, or storage facility on a non-contiguous site and provided such site or facility complies with the applicable 10-day transfer requirements of the federal Resource Conservation and Recovery Act of 1976 and United States Department of Transportation hazardous material requirements. For purposes of this Section only, "non-petruscible solid waste" means waste other than municipal garbage that does not rot or become putrid, including, but not limited to, paints, solvent, filters, and absorbents;

(17) the portion of a site or facility located in a county with a population greater than 3,000,000 that has obtained local siting approval, under Section 39.2 of this Act, for a municipal waste incinerator on or before July 1, 2005 and that is used for wood combustion facilities for energy recovery that accept and burn only wood material, as included in a fuel specification approved by the Agency; ~~and~~

(18) a transfer station used exclusively for landscape waste, including a transfer station where landscape waste is ground to reduce its volume, where the landscape waste is held no longer than 24 hours from the time it was received; and ~~.~~

(19) the portion of a site or facility that (i) is used for the composting of food scrap, livestock waste, crop residue, uncontaminated wood waste, or paper waste, including, but not limited to, corrugated paper or cardboard, and (ii) meets all of the following requirements:

(A) There must not be more than a total of 30,000 cubic yards of livestock waste in raw form or in the process of being composted at the site or facility at any one time.

(B) All food scrap, livestock waste, crop residue, uncontaminated wood waste, and paper waste must, by the end of each operating day, be processed and placed into an enclosed vessel in which air flow and temperature are controlled, or all of the following additional requirements must be met:

(i) The portion of the site or facility used for the composting operation must include a setback of at least 200 feet from the nearest potable water supply well.

(ii) The portion of the site or facility used for the composting operation must be located outside the boundary of the 10-year floodplain or floodproofed.

(iii) The portion of the site or facility used for the composting operation must be located at least one-eighth of a mile from the nearest residence, other than a residence located on the same property as the site or facility.

(iv) The portion of the site or facility used for the composting operation must be located at least one-eighth of a mile from the property line of all of the following areas:

(I) Facilities that primarily serve to house or treat people that are immunocompromised or immunosuppressed, such as cancer or AIDS patients; people with asthma, cystic fibrosis, or bioaerosol allergies; or children under the age of one year.

(II) Primary and secondary schools and adjacent areas that the schools use for recreation.

(III) Any facility for child care licensed under Section 3 of the Child Care Act of 1969; preschools; and adjacent areas that the facilities or preschools use for recreation.

(v) By the end of each operating day, all food scrap, livestock waste, crop residue, uncontaminated wood waste, and paper waste must be (i) processed into windrows or other piles and (ii) covered in a manner that prevents scavenging by birds and animals and that prevents other nuisances.

(C) Food scrap, livestock waste, crop residue, uncontaminated wood waste, paper waste, and compost must not be placed within 5 feet of the water table.

(D) The site or facility must meet all of the requirements of the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.).

(E) The site or facility must not (i) restrict the flow of a 100-year flood, (ii) result in washout of food scrap, livestock waste, crop residue, uncontaminated wood waste, or paper waste from a 100-year flood, or (iii) reduce the temporary water storage capacity of the 100-year floodplain, unless measures are undertaken to provide alternative storage capacity, such as by providing lagoons, holding tanks, or drainage around structures at the facility.

(F) The site or facility must not be located in any area where it may pose a threat of harm or destruction to the features for which:

(i) an irreplaceable historic or archaeological site has been listed under the National Historic Preservation Act (16 U.S.C. 470 et seq.) or the Illinois Historic Preservation Act;

(ii) a natural landmark has been designated by the National Park Service or the Illinois State Historic Preservation Office; or

(iii) a natural area has been designated as a Dedicated Illinois Nature Preserve under the Illinois Natural Areas Preservation Act.

(G) The site or facility must not be located in an area where it may jeopardize the continued existence of any designated endangered species, result in the destruction or adverse modification of the critical habitat for such species, or cause or contribute to the taking of any endangered or threatened species of plant, fish, or wildlife listed under the Endangered Species Act (16 U.S.C. 1531 et seq.) or the Illinois Endangered Species Protection Act.

(b) A new pollution control facility is:

(1) a pollution control facility initially permitted for development or construction after July 1, 1981; or

(2) the area of expansion beyond the boundary of a currently permitted pollution control facility; or

(3) a permitted pollution control facility requesting approval to store, dispose of, transfer or incinerate, for the first time, any special or hazardous waste.

(Source: P.A. 94-94, eff. 7-1-05; 94-249, eff. 7-19-05; 94-824, eff. 6-2-06; 95-131, eff. 8-13-07; 95-177, eff. 1-1-08; 95-331, eff. 8-21-07; 95-408, eff. 8-24-07; 95-876, eff. 8-21-08.)

(415 ILCS 5/22.26) (from Ch. 111 1/2, par. 1022.26)

Sec. 22.26. The Agency shall not issue a development or construction permit after December 31, 1990 for any composting facility, unless the applicant has given notice thereof (1) in person or by mail to the members of the General Assembly from the legislative district in which the proposed facility is to be located, (2) by registered or certified mail to the owners of all real property located within 250 feet of the site of the proposed facility (determined as provided in subsection (b) of Section 39.2), and (3) to the general public by publication in a newspaper of general circulation in the county in which the proposed facility is to be located. The notice required under this Section must include: (i) a description of the type of facility being proposed, (ii) the location of the proposed facility, (iii) the name of the person proposing the construction or development of the facility and the contact information (including a phone number) for that person, (iv) instructions directing the recipient of the notice to send written comments relating to the construction or development of the facility to the Agency within 21 days after the notice is either received by mail or last published in a newspaper of general circulation, and (v) the Agency's address, as well as the phone numbers for the Bureaus and Sections responsible for issuing the permit.

(Source: P.A. 86-1195.)

(415 ILCS 5/22.34)

Sec. 22.34. Organic waste compost quality standards.

(a) The Agency may ~~By January 1, 1994, the Agency shall~~ develop and make recommendations to the Board concerning (i) performance standards for organic waste compost facilities and (ii) testing procedures and standards for the end-product compost produced by organic waste compost facilities.

The Agency, in cooperation with the Department, shall appoint a Technical Advisory Committee for the purpose of developing these recommendations. Among other things, the Committee shall evaluate environmental and safety considerations, compliance costs, and regulations adopted in other states and

countries. The Committee shall have balanced representation and shall include members representing academia, the composting industry, the Department of Agriculture, the landscaping industry, environmental organizations, municipalities, and counties.

Performance standards for organic waste compost facilities may include, but are not limited to ~~shall at a minimum include~~:

(1) the management of potential exposures for human disease vectors and odor;

(2) the management of surface water;

(3) contingency planning for handling end-product compost material that does not meet end-product compost standards adopted by the Board ~~requirements of subsection (b)~~;

(4) plans for intended purposes of end-use product; and

(5) a financial assurance plan necessary to restore the site as specified in Agency permit. The financial assurance plan may include, but is not limited to, posting with the Agency a performance bond or other security for the purpose of ensuring site restoration.

(b) No later than one year after the Agency makes recommendations to the Board under subsection (a) of this Section ~~By December 1, 1997~~, the Board shall adopt , as applicable:

(1) performance standards for organic waste compost facilities; and

(2) testing procedures and standards for the end-product compost produced by organic waste compost facilities.

The Board shall evaluate the merits of different standards for end-product compost applications.

(c) On-site residential composting that is used solely for the purpose of composting organic waste generated on-site and that will not be offered for off-site sale or use is exempt from any standards promulgated under subsections (a) and (b). Subsection (b)(2) shall not apply to end-product compost used as daily cover or vegetative amendment in the final layer. Subsection (b) applies to any end-product compost offered for sale or use in Illinois.

(d) For the purposes of this Section, "organic waste" means food scrap ~~waste~~, landscape waste, wood waste , livestock waste, crop residue, paper waste, or other non-hazardous carbonaceous waste that is collected and processed separately from the rest of the municipal waste stream.

(e) Except as otherwise provided in Board rules, solid waste permits for organic waste composting facilities shall be issued under the Board's Solid Waste rules at 35 Ill. Adm. Code 807. The permits must include, but shall not be limited to, measures designed to reduce pathogens in the compost.

(Source: P.A. 87-1227; 88-690, eff. 1-24-95.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

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 Harmon, **Senate Bill No. 134** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 134

AMENDMENT NO. 1 . Amend Senate Bill 134 by replacing everything after the enacting clause with the following:

"Section 5. The Nursing Home Care Act is amended by changing Section 3-417 as follows:

(210 ILCS 45/3-417) (from Ch. 111 1/2, par. 4153-417)

Sec. 3-417. Transfer or discharge; alternative placements. The Department shall offer transfer or discharge and relocation assistance to residents transferred or discharged under Sections 3-401 through 3-415, including information on available alternative placements. Residents shall be involved in planning the transfer or discharge and shall choose among the available alternative placements, except that where an emergency makes prior resident involvement impossible the Department may make a temporary placement until a final placement can be arranged. Residents may choose their final alternative placement and shall be given assistance in transferring to such place. No resident may be forced to remain in a temporary or permanent placement. Where the Department makes or participates in making the relocation decision, consideration shall be given to proximity to the resident's relatives and friends. The resident shall be allowed 3 visits to potential alternative placements prior to removal, except where medically contraindicated or where the need for immediate transfer or discharge requires

reduction in the number of visits.

When the Department provides information on available alternative placements in community-based settings for individuals being discharged or transferred from facilities licensed under this Act, the information must include a comprehensive list of a range of appropriate, client-oriented services and the name of and contact information for the ADA coordinator in the relocation locale. The comprehensive list must include the name and contact information for each agency or organization providing those services and a summary of the services provided by each agency or organization. A hotline or similar crisis telephone number must also be provided to individuals relocating into the community.

(Source: P.A. 81-223.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Garrett, **Senate Bill No. 178** was recalled from the order of third reading to the order of second reading.

Senator Garrett offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO SENATE BILL 178

AMENDMENT NO. 3. Amend Senate Bill 178, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Environmental Protection Act is amended by adding Section 22.55 as follows:

(415 ILCS 5/22.55 new)

Sec. 22.55. Household Waste Drop-off Points.

(a) Findings; Purpose and Intent.

(1) The General Assembly finds that protection of human health and the environment can be enhanced if certain commonly generated household wastes are managed separately from the general household waste stream.

(2) The purpose of this Section is to provide, to the extent allowed under federal law, a method for managing certain types of household waste separately from the general household waste stream.

(b) Definitions. For the purposes of this Section:

"Controlled substance" means a controlled substance as defined in the Illinois Controlled Substances Act.

"Household waste" means waste generated from a single residence or multiple residences.

"Household waste drop-off point" means the portion of a site or facility used solely for the receipt and temporary storage of household waste.

"One-day household waste collection event" means a household waste drop-off point approved by the Agency under subsection (d) of this Section.

"Personal care product" means an item other than a pharmaceutical product that is consumed or applied by an individual for personal health, hygiene, or cosmetic reasons. Personal care products include, but are not limited to, items used in bathing, dressing, or grooming.

"Pharmaceutical product" means medicine or a product containing medicine. A pharmaceutical product may be sold by prescription or over the counter. "Pharmaceutical product" does not include (i) medicine that contains a radioactive component or a product that contains a radioactive component or (ii) a controlled substance.

(c) Except as otherwise provided in Agency rules, the following requirements apply to each household waste drop-off point other than a one-day household waste collection event:

(1) A household waste drop-off point must not accept waste other than the following types of household waste: pharmaceutical products, personal care products, batteries other than lead-acid batteries, paints, automotive fluids, compact fluorescent lightbulbs, mercury thermometers, and mercury thermostats.

(2) Except as provided in subdivision (c)(2) of this Section, household waste drop-off points must be located at a site or facility where the types of products accepted at the household waste drop-off point are lawfully sold, distributed, or dispensed. For example, household waste drop-off points that accept

prescription pharmaceutical products must be located at a site or facility where prescription pharmaceutical products are sold, distributed, or dispensed.

(A) Subdivision (c)(2) of this Section does not apply to household waste drop-off points operated by a government or school entity, or by an association or other organization of government or school entities.

(B) Household waste drop-off points that accept mercury thermometers can be located at any site or facility where non-mercury thermometers are sold, distributed, or dispensed.

(C) Household waste drop-off points that accept mercury thermostats can be located at any site or facility where non-mercury thermostats are sold, distributed, or dispensed.

(3) The location of acceptance for each type of waste accepted at the household waste drop-off point must be clearly identified. Locations where pharmaceutical products are accepted must also include a copy of the sign required under subsection (j) of this Section.

(4) Household waste must be accepted only from private individuals. Waste must not be accepted from other persons, including, but not limited to, owners and operators of rented or leased residences where the household waste was generated, commercial haulers, and other commercial, industrial, agricultural, and government operations or entities.

(5) If more than one type of household waste is accepted, each type of household waste must be managed separately prior to its packaging for off-site transfer.

(6) Household waste must not be stored for longer than 90 days after its receipt, except as otherwise approved by the Agency in writing.

(7) Household waste must be managed in a manner that protects against releases of the waste, prevents nuisances, and otherwise protects human health and the environment. Household waste must also be properly secured to prevent unauthorized public access to the waste, including, but not limited to, preventing access to the waste during the non-business hours of the site or facility on which the household waste drop-off point is located. Containers in which pharmaceutical products are collected must be clearly marked "No Controlled Substances".

(8) Management of the household waste must be limited to the following: (i) acceptance of the waste, (ii) temporary storage of the waste prior to transfer, and (iii) off-site transfer of the waste and packaging for off-site transfer.

(9) Off-site transfer of the household waste must comply with federal and State laws and regulations.

(d) One-day household waste collection events. To further aid in the collection of certain household wastes, the Agency may approve the operation of one-day household waste collection events. The Agency shall not approve a one-day household waste collection event at the same site or facility for more than one day each calendar quarter. Requests for approval must be submitted on forms prescribed by the Agency. The Agency must issue its approval in writing, and it may impose conditions as necessary to protect human health and the environment and to otherwise accomplish the purposes of this Act. One-day household waste collection events must be operated in accordance with the Agency's approval, including all conditions contained in the approval. The following requirements apply to all one-day household waste collection events, in addition to the conditions contained in the Agency's approval:

(1) Waste accepted at the event must be limited to household waste and must not include garbage, landscape waste, controlled substances, or other waste excluded by the Agency in the Agency's approval or any conditions contained in the approval.

(2) Household waste must be accepted only from private individuals. Waste must not be accepted from other persons, including, but not limited to, owners and operators of rented or leased residences where the household waste was generated, commercial haulers, and other commercial, industrial, agricultural, and government operations or entities.

(3) Household waste must be managed in a manner that protects against releases of the waste, prevents nuisances, and otherwise protects human health and the environment. Household waste must also be properly secured to prevent public access to the waste, including, but not limited to, preventing access to the waste during the event's non-business hours.

(4) Management of the household waste must be limited to the following: (i) acceptance of the waste, (ii) temporary storage of the waste before transfer, and (iii) off-site transfer of the waste or packaging for off-site transfer.

(5) Except as otherwise approved by the Agency, all household waste received at the collection event must be transferred off-site by the end of the day following the collection event.

(6) The transfer and ultimate disposition of household waste received at the collection event must comply with the Agency's approval, including all conditions contained in the approval.

(e) The Agency may adopt rules governing the operation of household waste drop-off points other than one-day household waste collection events. Those rules must be designed to protect against releases of waste to the environment, prevent nuisances, and otherwise protect human health and the environment. As necessary to address different circumstances, the regulations may contain different requirements for different types of household waste and different types of household waste drop-off points, and the regulations may modify the requirements set forth in subsection (c) of this Section. The regulations may include, but are not limited to, the following: (i) identification of additional types of household waste that can be collected at household waste drop-off points, (ii) identification of the different types of household wastes that can be received at different household waste drop-off points, (iii) the maximum amounts of each type of household waste that can be stored at household waste drop-off points at any one time, and (iv) the maximum time periods each type of household waste can be stored at household waste drop-off points.

(f) Prohibitions.

(1) Except as authorized in a permit issued by the Agency, no person shall cause or allow the operation of a household waste drop-off point other than a one-day household waste collection event in violation of this Section or any regulations adopted under this Section.

(2) No person shall cause or allow the operation of a one-day household waste collection event in violation of this Section or the Agency's approval issued under subsection (d) of this Section, including all conditions contained in the approval.

(g) Permit exemptions.

(1) No permit is required under subdivision (d)(1) of Section 21 of this Act for the operation of a household waste drop-off point other than a one-day household waste collection event if the household waste drop-off point is operated in accordance with this Section and all regulations adopted under this Section.

(2) No permit is required under subdivision (d)(1) of Section 21 of this Act for the operation of a one-day household waste collection event if the event is operated in accordance with this Section and the Agency's approval issued under subsection (d) of this Section, including all conditions contained in the approval, or for the operation of a household waste collection event by the Agency.

(h) This Section does not apply to the following:

(1) Persons accepting household waste that they are authorized to accept under a permit issued by the Agency.

(2) Sites or facilities operated pursuant to an intergovernmental agreement entered into with the Agency under Section 22.16b(d) of this Act.

(i) The Agency, in consultation with the Department of Public Health, must develop and implement a public information program regarding household waste drop-off points that accept pharmaceutical products.

(j) The Agency must develop a sign that provides information on the proper disposal of unused pharmaceutical products. The Agency shall make a copy of the sign available for downloading from its website.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Garrett offered the following amendment and moved its adoption:

AMENDMENT NO. 4 TO SENATE BILL 178

AMENDMENT NO. _4_. Amend Senate Bill 178, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 3, on page 9, immediately below line 13, by inserting the following:

"(k) If an entity chooses to participate as a household waste drop-off point, then it must follow the provisions of this Section and any rules the Agency may adopt governing household waste drop-off points.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 3 and 4 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Collins, **Senate Bill No. 268** was recalled from the order of third reading to the order of second reading.

Senator Collins offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 268

AMENDMENT NO. 2 . Amend Senate Bill 268 on page 2, by replacing lines 3 through 7 with the following:

"to be known as the Foreclosure Prevention Counseling Fund. The Fund shall consist of moneys appropriated by the General Assembly.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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 Demuzio, **Senate Bill No. 277** was recalled from the order of third reading to the order of second reading.

Senator Demuzio offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 277

AMENDMENT NO. 1 . Amend Senate Bill 277 on page 3, line 14, after the period, by inserting "However, bids for construction purposes are prohibited from being submitted electronically.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Forby, **Senate Bill No. 1297** was recalled from the order of third reading to the order of second reading.

Senator Forby offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1297

AMENDMENT NO. 1 . Amend Senate Bill 1297 on page 3, line 9, by replacing "and" with "~~and~~"; and

on page 3, line 16, by replacing the period with "; and ~~.~~"; and

on page 3, by inserting below line 16 the following:

"10. Vehicles of the Illinois Department of Natural Resources that are used for mine rescue emergency response.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Viverito, **Senate Bill No. 1353** was recalled from the order of third reading to the order of second reading.

Senator Viverito offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1353

AMENDMENT NO. 1 . Amend Senate Bill 1353 on page 1, line 23, before "fire", by inserting "public".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Raoul, **Senate Bill No. 1440** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1440

AMENDMENT NO. 1. Amend Senate Bill 1440 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Sections 1-106 and 15-136.4 as follows:

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

Sec. 1-106. Payment of distribution other than direct.

(a) The board of trustees of any retirement fund or system operating under this Code may, at the written direction and request of any annuitant, solely as an accommodation to the annuitant, pay the annuity due the annuitant to a bank, savings and loan association, or any other financial institution insured by an agency of the federal government, for deposit to the account of the annuitant, or to a bank, savings and loan association, or trust company for deposit in a trust established by the annuitant for his or her benefit with that bank, savings and loan association, or trust company. The annuitant may withdraw the direction at any time.

(b) Beginning January 1, 1993, each pension fund or retirement system operating under this Code may, and to the extent required by federal law shall, at the request of any person entitled to receive a refund, lump-sum benefit, or other nonperiodic distribution from the pension fund or retirement system, pay the ~~taxable portion of that~~ distribution directly to any entity that (1) is designated in writing by the person, (2) is qualified under federal law to accept an eligible rollover distribution from a qualified plan, and (3) has agreed to accept the distribution.

(Source: P.A. 87-1265.)

(40 ILCS 5/15-136.4)

Sec. 15-136.4. Retirement and Survivor Benefits Under Portable Benefit Package.

(a) This Section 15-136.4 describes the form of annuity and survivor benefits available to a participant who has elected the portable benefit package and has completed the one-year waiting period required under subsection (e) of Section 15-134.5. For purposes of this Section, the term "eligible spouse" means the husband or wife of a participant to whom the participant is married on the date the participant's ~~retirement~~ annuity payment period begins, provided however, that if the participant should die prior to the commencement of retirement annuity benefits, then "eligible spouse" means the husband or wife, if any, to whom the participant was married throughout the one-year period preceding the date of his or her death.

(b) This subsection (b) describes the normal form of annuity payable to a participant subject to this Section 15-136.4. If the participant is unmarried on the date his or her annuity payment period begins ~~payments commence~~, then the annuity payments shall be made in the form of a single-life annuity as described in Section 15-118. If the participant is married on the date his or her annuity payments commence, then the annuity payments shall be paid in the form of a qualified joint and survivor annuity that is the actuarial equivalent of the single-life annuity. Under the "qualified joint and survivor annuity", a reduced amount shall be paid to the participant for his or her lifetime and his or her eligible spouse, if surviving at the participant's death, shall be entitled to receive thereafter a lifetime survivorship annuity in a monthly amount equal to 50% of the reduced monthly amount that was payable to the participant. The last payment of a qualified joint and survivor annuity shall be made as of the first day of the month in which the death of the survivor occurs.

(c) Instead of the normal form of annuity that would be paid under subsection (b), a participant may elect in writing within the 90-day period prior to the date his or her annuity payments commence to waive the normal form of annuity payment and receive an optional form of payment ~~annuity~~ as described in subsection (h). If the participant is married and elects an optional form of payment ~~annuity~~ under subsection (h) other than a joint and survivor annuity with the eligible spouse designated as the contingent annuitant, then such election shall require the consent of his or her eligible spouse in the manner described in subsection (d). At any time during the 90-day period preceding the date the

participant's payment period begins ~~annuity commences~~, the participant may revoke the optional form of payment elected under this subsection (c) and reinstate coverage under the qualified joint and survivor annuity without the spouse's consent, but an election to revoke the optional form elected and elect a new optional form of payment or designate a different contingent annuitant shall not be effective without the eligible spouse's consent.

(d) The eligible spouse's consent to any election made pursuant to this Section that requires the eligible spouse's consent shall be in writing and shall acknowledge the effect of the consent. In addition, the eligible spouse's signature on the written consent must be witnessed by a notary public. The eligible spouse's consent need not be obtained if the system is satisfied that there is no eligible spouse, that the eligible spouse cannot be located, or because of any other relevant circumstances. An eligible spouse's consent under this Section is valid only with respect to the specified optional form of payment and, if applicable, contingent annuitant designated by the participant. If the optional form of payment or the contingent annuitant is subsequently changed (other than by a revocation of the optional form of payment and reinstatement of the qualified joint and survivor annuity), a new consent by the eligible spouse is required. The eligible spouse's consent to an election made by a participant pursuant to this Section, once made, may not be revoked by the eligible spouse.

(e) Within a reasonable period of time preceding the date a participant's annuity commences, a participant shall be supplied with a written explanation of (1) the terms and conditions of the normal form single-life annuity and qualified joint and survivor annuity, (2) the participant's right to elect a single-life annuity or an optional form of payment under subsection (h) subject to his or her eligible spouse's consent, if applicable, and (3) the participant's right to reinstate coverage under the qualified joint and survivor annuity prior to his or her annuity commencement date by revoking an election of an optional form of payment ~~benefit~~ under subsection (h).

(f) If a married participant with at least 1.5 years of service dies prior to commencing retirement annuity payments and prior to taking a refund under Section 15-154, his or her eligible spouse is entitled to receive a pre-retirement survivor annuity, if there is not then in effect a waiver of the pre-retirement survivor annuity. The pre-retirement survivor annuity payable under this subsection shall be a monthly annuity payable for the eligible spouse's life, commencing as of the beginning of the month next following the later of the date of the participant's death or the date the participant would have first met the eligibility requirements for retirement, and continuing through the beginning of the month in which the death of the eligible spouse occurs. The monthly amount payable to the spouse under the pre-retirement survivor annuity shall be equal to the monthly amount that would be payable as a survivor annuity under the qualified joint and survivor annuity described in subsection (b) if: (1) in the case of a participant who dies on or after the date on which the participant has met the eligibility requirements for retirement, the participant had retired with an immediate qualified joint and survivor annuity on the day before the participant's date of death; or (2) in the case of a participant who dies before the earliest date on which the participant would have met the eligibility requirements for retirement age, the participant had separated from service on the date of death, survived to the earliest retirement age based on service prior to his or her death, retired with an immediate qualified joint and survivor annuity at the earliest retirement age, and died on the day after the day on which the participant would have attained the earliest retirement age.

(g) A married participant who has not retired may elect at any time to waive the pre-retirement survivor annuity described in subsection (f). Any such election shall require the consent of the participant's eligible spouse in the manner described in subsection (d) ~~(e)~~. A waiver of the pre-retirement survivor annuity shall increase the lump sum death benefit payable under subsection (b) of Section 15-141. Prior to electing any waiver of the pre-retirement survivor annuity, the participant shall be provided with a written explanation of (1) the terms and conditions of the pre-retirement survivor annuity and the death benefits payable from the system both with and without the pre-retirement survivor annuity, (2) the participant's right to elect a waiver of the pre-retirement survivor annuity coverage subject to his or her spouse's consent, and (3) the participant's right to reinstate pre-retirement survivor annuity coverage at any time by revoking a prior waiver of such coverage.

(h) By filing a timely election with the system, a participant who will be eligible to receive a retirement annuity under this Section may waive the normal form of annuity payment described in subsection (b), subject to obtaining the consent of his or her eligible spouse, if applicable, and elect to receive any one of the following optional forms of payment:

(1) Joint and Survivor Annuity Options: The participant may elect to receive a reduced annuity payable for his or her life and to have a lifetime survivorship annuity in a monthly amount equal to 50%, 75%, or 100% (as elected by the participant) of that reduced monthly amount, to be paid after the participant's death to his or her contingent annuitant, if the contingent annuitant is alive

at the time of the participant's death.

(2) Single-Life Annuity Option (optional for married participants). The participant may elect to receive a single-life annuity payable for his or her life only.

(3) Lump sum retirement benefit. The participant may elect to receive a lump sum retirement benefit that is equal to the amount of a refund payable under Section 15-154(a-2).

All joint and survivor ~~optional~~ annuity forms shall be in an amount that is the actuarial equivalent of the single-life annuity.

For the purposes of this Section, the term "contingent annuitant" means the beneficiary who is designated by a participant at the time the participant elects a joint and survivor annuity to receive the lifetime survivorship annuity in the event the beneficiary survives the participant at the participant's death.

(i) Under no circumstances may an option be elected, changed, or revoked after the date the participant's retirement annuity commences.

(j) An election made pursuant to subsection (h) shall become inoperative if the participant or the contingent annuitant dies before the date the participant's annuity payments commence, or if the eligible spouse's consent is required and not given.

(k) (Blank).

(l) The automatic annual increases described in subsection (d) of Section 15-136 shall apply to retirement benefits under the portable benefit package and the automatic annual increases described in subsection (j) of Section 15-145 shall apply to survivor benefits under the portable benefit package.

(Source: P.A. 90-448, eff. 8-16-97; 90-766, eff. 8-14-98; 91-887, eff. 7-6-00.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Hunter, **Senate Bill No. 1499** was recalled from the order of third reading to the order of second reading.

Senator Hunter offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1499

AMENDMENT NO. __1__. Amend Senate Bill 1499 by replacing everything after the enacting clause with the following:

"Section 5. The Community Services Act is amended by changing Section 4 as follows:

(405 ILCS 30/4) (from Ch. 91 1/2, par. 904)

Sec. 4. Financing for Community Services.

(a) The Department of Human Services is authorized to provide financial reimbursement to eligible private service providers, corporations, local government entities or voluntary associations for the provision of services to persons with mental illness, persons with a developmental disability and alcohol and drug dependent persons living in the community for the purpose of achieving the goals of this Act.

The Department shall utilize the following funding mechanisms for community services:

(1) Purchase of Care Contracts: services purchased on a predetermined fee per unit of service basis from private providers or governmental entities. Fee per service rates are set by an established formula which covers some portion of personnel, supplies, and other allowable costs, and which makes some allowance for geographic variations in costs as well as for additional program components.

(2) Grants: sums of money which the Department grants to private providers or governmental entities pursuant to the grant recipient's agreement to provide certain services, as defined by departmental grant guidelines, to an approximate number of service recipients. Grant levels are set through consideration of personnel, supply and other allowable costs, as well as other funds available to the program.

(3) Other Funding Arrangements: funding mechanisms may be established on a pilot basis in order to examine the feasibility of alternative financing arrangements for the provision of community services.

The Department shall establish and maintain an equitable system of payment which allows providers to improve persons with disabilities' capabilities for independence and reduces their reliance on State-operated services.

(b) The Governor shall create a commission by September 1, 2009 ~~July 1, 2007~~, or as soon thereafter as possible, to review funding methodologies, identify gaps in funding, identify revenue, and prioritize use of that revenue for community developmental disability services, mental health services, alcohol and substance abuse services, rehabilitation services, and early intervention services.

(c) The first meeting of the commission shall be held within the first month after the creation and appointment of the commission, and a final report summarizing the commission's recommendations must be issued within 12 months after the first meeting, and no later than September 1, 2010 ~~September 1, 2008~~, to the Governor and the General Assembly.

(d) The commission shall have the following 13 voting members:

(A) one member of the House of Representatives, appointed by the Speaker of the House of Representatives;

(B) one member of the House of Representatives, appointed by the House Minority Leader;

(C) one member of the Senate, appointed by the President of the Senate;

(D) one member of the Senate, appointed by the Senate Minority Leader;

(E) one person with a developmental disability, or a family member or guardian of such a person, appointed by the Governor;

(F) one person with a mental illness, or a family member or guardian of such a person, appointed by the Governor;

(G) two persons from unions that represent employees of community providers that serve people with developmental disabilities, mental illness, and alcohol and substance abuse disorders, appointed by the Governor; and

(H) five persons from statewide associations that represent community providers that provide residential, day training, and other developmental disability services, mental health services, alcohol and substance abuse services, rehabilitation services, or early intervention services, or any combination of those, appointed by the Governor.

The commission shall also have the following ex-officio, nonvoting members:

(I) the Director of the Governor's Office of Management and Budget or his or her designee;

(J) the Chief Financial Officer of the Department of Human Services or his or her designee; ~~and~~

(K) the Administrator of the Department of Healthcare and Family Services Division of Finance or his or her designee; ~~.~~

(L) the Director of the Department of Human Services Division of Developmental Disabilities or his or her designee;

(M) the Director of the Department of Human Services Division of Mental Health or his or her designee; and

(N) the Director of the Department of Human Services Division of Alcohol and Substance Abuse or his or her designee.

(e) The funding methodologies must reflect economic factors inherent in providing services and supports, recognize individual disability needs, and consider geographic differences, transportation costs, required staffing ratios, and mandates not currently funded.

(f) In accepting Department funds, providers shall recognize their responsibility to be accountable to the Department and the State for the delivery of services which are consistent with the philosophies and goals of this Act and the rules and regulations promulgated under it.

(Source: P.A. 95-682, eff. 10-11-07.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Rutherford, **Senate Bill No. 1553** was recalled from the order of third reading to the order of second reading.

Senator Rutherford offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1553

AMENDMENT NO. 1. Amend Senate Bill 1553 on page 8, by replacing lines 11 through 13 with the following:

"by the Village of Libertyville;

(72) if the ordinance was adopted on September 9, 1999 by the Village of Downs;

(73) if the ordinance was adopted on December 29, 1986 by the City of Pontiac to create TIF I (the Main St TIF); or

(74) if the ordinance was adopted on December 29, 1986 by the City of Pontiac to create TIF II (the Interstate TIF)."; and

on page 17, by replacing lines 14 through 16 with the following:

"by the Village of Hoffman Estates;

(72) if the ordinance was adopted on September 9, 1999 by the Village of Downs;

(73) if the ordinance was adopted on December 29, 1986 by the City of Pontiac to create TIF I (the Main St TIF); or

(74) if the ordinance was adopted on December 29, 1986 by the City of Pontiac to create TIF II (the Interstate TIF).".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Demuzio, **Senate Bill No. 270** was recalled from the order of third reading to the order of second reading.

Senator Demuzio offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 270

AMENDMENT NO. 2. Amend Senate Bill 270 as follows:

on page 1, line 18, by replacing "shall establish" with "may establish"; and

on page 1, by replacing line 21 through line 23 with the following:

"of mortality related to colon cancer. Subject to appropriation, the Department of Public Health may make grants to eligible entities for the purpose of carrying out the Program. An eligible entity that is a recipient of a grant may use the grant to carry out such programs directly or through grants to, or contracts with, public, private, and not-for-profit entities. The Department of Public Health may give preference to entities that serve underserved populations. The Program may run no less than 3 years from"; and

on page 2, by replacing line 5 with the following:

"not served by the Program. A report must be submitted by the Department of Public Health to the Governor and the General Assembly every year of program implementation. The report shall include, but not be limited to, (1) an assessment of implementation, (2) an analysis of program costs and savings to the State, and (3) a description of program outcomes."; and

on page 2, line 6, by replacing "shall provide" with "may provide"; and

on page 2, line 10, by replacing "shall be" with "may be"; and

on page 2, line 14, by replacing "shall provide" with "may provide"; and

by replacing line 22 on page 2 through line 3 on page 3 with the following:

"(d) Persons who have been screened for colorectal cancer under the Colorectal Cancer Pilot Program may receive medical assistance identical to benefits provided under the State's approved plan under Title XIX of the Social Security Act. Medical assistance may be available immediately for the duration of the

treatment for such cancer.

(e) In addition to providing clinical services, the Colorectal Cancer Screening and Treatment Pilot Program may develop and disseminate public information about the importance of screening, engage in outreach efforts to serve as many eligible individuals as possible, and monitor and evaluate all of the sites where the Program is located.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

At the hour of 8:22 o'clock p.m., Senator Harmon, presiding.

On motion of Senator Schoenberg, **Senate Bill No. 1482** was recalled from the order of third reading to the order of second reading.

Senator Schoenberg offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1482

AMENDMENT NO. 1. Amend Senate Bill 1482 on page 2, by replacing lines 1 and 2 with the following:

"Section 99. Effective date. This Act takes effect January 1, 2010.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 859

A bill for AN ACT making appropriations.

HOUSE BILL NO. 2005

A bill for AN ACT concerning civil law.

HOUSE BILL NO. 2451

A bill for AN ACT concerning local government.

HOUSE BILL NO. 3691

A bill for AN ACT concerning finance.

Passed the House, April 1, 2009.

MARK MAHONEY, Clerk of the House

The foregoing **House Bills Numbered 859, 2005, 2451 and 3691** were taken up, ordered printed and placed on first reading.

At the hour of 8:30 o'clock p.m., Senator DeLeo, presiding.

READING BILL OF THE SENATE A SECOND TIME

On motion of Senator Dillard, **Senate Bill No. 1703** having been printed, was taken up, read by title a second time.

Senator Dillard offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1703

AMENDMENT NO. 1. Amend Senate Bill 1703 on page 5, immediately below line 14, by inserting the following:

"Section 15. The Vital Records Act is amended by adding Section 21.5 as follows:
(410 ILCS 535/21.5 new)
Sec. 21.5. Group burial; group cremation. Notwithstanding Sections 20 and 21 of this Act, a permit for a group burial or group cremation under Section 11.4 of the Hospital Licensing Act may be issued without a fetal death certificate. The Department shall adopt rules to implement this Section.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Crotty, **Senate Bill No. 28**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 49; NAYS 5.

The following voted in the affirmative:

Althoff	Frerichs	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Bond	Haine	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Hultgren	Munoz	Syverson
Crotty	Hunter	Murphy	Trotter
DeLeo	Hutchinson	Noland	Viverito
Delgado	Jones, E.	Pankau	Wilhelmi
Demuzio	Jones, J.	Radogno	Mr. President
Dillard	Koehler	Raoul	
Duffy	Kotowski	Righter	
Forby	Lightford	Rutherford	

The following voted in the negative:

Bivins	Dahl	Lauzen
Burzynski	Holmes	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Garrett, **Senate Bill No. 32**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Rutherford
Bomke	Frerichs	Lightford	Sandoval
Bond	Garrett	Link	Schoenberg
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hultgren	Meeks	Trotter
Crotty	Hunter	Munoz	Viverito
Dahl	Hutchinson	Murphy	Wilhelmi
DeLeo	Jacobs	Noland	Mr. President
Delgado	Jones, E.	Pankau	
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Maloney, **Senate Bill No. 37**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Kotowski	Righter
Bivins	Forby	Lauzen	Rutherford
Bomke	Frerichs	Lightford	Sandoval
Bond	Garrett	Link	Schoenberg
Brady	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hultgren	Meeks	Viverito
Crotty	Hunter	Munoz	Wilhelmi
Dahl	Hutchinson	Murphy	Mr. President
DeLeo	Jacobs	Noland	
Delgado	Jones, E.	Pankau	
Demuzio	Jones, J.	Radogno	
Dillard	Koehler	Raoul	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Clayborne, **Senate Bill No. 43**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

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

YEAS 34; NAYS 21.

The following voted in the affirmative:

Bond	Garrett	Kotowski	Schoenberg
Clayborne	Haine	Lightford	Silverstein
Collins	Harmon	Link	Steans
Crotty	Hendon	Maloney	Trotter
DeLeo	Holmes	Martinez	Viverito
Delgado	Hunter	Munoz	Wilhelmi
Demuzio	Hutchinson	Noland	Mr. President
Forby	Jacobs	Raoul	
Frerichs	Jones, E.	Sandoval	

The following voted in the negative:

Althoff	Duffy	McCarter	Rutherford
Bivins	Hultgren	Murphy	Sullivan
Bomke	Jones, J.	Pankau	Syverson
Brady	Koehler	Radogno	
Burzynski	Lauzen	Righter	
Dahl	Luechtefeld	Risinger	

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

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

READING BILLS OF THE SENATE A SECOND TIME

On motion of Senator Schoenberg, **Senate Bill No. 44** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 44

AMENDMENT NO. 1. Amend Senate Bill 44 on page 7, line 25, by replacing "0.57%" with "$54,167"; and

on page 8, line 3, by replacing "99.43%" with "the balance".

Senator Schoenberg offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 44

AMENDMENT NO. 2. Amend Senate Bill 44 on page 7, line 21, by replacing "50" with "25"; and

on page 7, line 22, after "State.", by inserting "Beginning on September 1, 2010, in addition to any other tax imposed by this Act, a tax is imposed upon any person engaged in business as a retailer of cigarettes at the rate of 25 mills per cigarette sold or otherwise disposed of in the course of such business in this State."; and

on page 12, line 15, after "first.", by inserting "Any distributor having cigarettes to which stamps have been affixed in his or her possession for sale on or after September 1, 2010 is required to pay the additional tax imposed by this amendatory Act of the 96th General Assembly on those stamped cigarettes. This payment, less the discount provided in subsection (b), is due when the distributor first makes a purchase of cigarette tax stamps on or after September 1, 2010 or on the first due date of a return under this Act occurring on or after September 1, 2010, whichever occurs first."; and

on page 18, line 13, by replacing "50" with "25"; and

on page 18, line 13, after "used.", by inserting "Beginning on September 1, 2010, in addition to any other tax imposed by this Act, a tax is imposed upon any person engaged in business as a retailer of cigarettes at the rate of 25 mills per cigarette sold or otherwise disposed of in the course of such business in this State."; and

on page 20, line 11, after "first.", by inserting "Any distributor having cigarettes to which stamps have been affixed in his or her possession for sale on or after September 1, 2010 is required to pay the additional tax imposed by this amendatory Act of the 96th General Assembly on those stamped cigarettes. This payment, less the discount provided in subsection (b), is due when the distributor first makes a purchase of cigarette tax stamps on or after September 1, 2010 or on the first due date of a return under this Act occurring on or after September 1, 2010, whichever occurs first.".

And on that motion, a call of the roll was had resulting as follows:

YEAS 30; NAYS 25.

The following voted in the affirmative:

Bond	Haine	Lightford	Silverstein
Clayborne	Harmon	Link	Steans
Collins	Hendon	Maloney	Trotter
Crotty	Holmes	Martinez	Viverito
DeLeo	Hunter	Munoz	Wilhelmi
Delgado	Jones, E.	Raoul	Mr. President
Demuzio	Koehler	Sandoval	
Garrett	Kotowski	Schoenberg	

The following voted in the negative:

Althoff	Duffy	Lauzen	Righter
Bivins	Forby	Luechtefeld	Risinger
Bomke	Frerichs	McCarter	Rutherford
Brady	Hultgren	Murphy	Syverson
Burzynski	Hutchinson	Noland	
Dahl	Jacobs	Pankau	
Dillard	Jones, J.	Radogno	

The motion prevailed.

And the amendment was adopted and ordered printed.

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 Garrett, **Senate Bill No. 1923** having been printed, was taken up, read by title a second time.

Senator Garrett offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1923

AMENDMENT NO. 1 . Amend Senate Bill 1923 by replacing everything after the enacting clause

with the following:

"Section 5. The Illinois Enterprise Zone Act is amended by changing Section 5.5 as follows:
(20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)
Sec. 5.5. High Impact Business.
(a) In order to respond to unique opportunities to assist in the encouragement, development, growth and expansion of the private sector through large scale investment and development projects, the Department is authorized to receive and approve applications for the designation of "High Impact Businesses" in Illinois subject to the following conditions:
(1) such applications may be submitted at any time during the year;
(2) such business is not located, at the time of designation, in an enterprise zone designated pursuant to this Act;
(3) the business intends to do one or more of the following:
(A) the business intends to make a minimum investment of $12,000,000 which will be placed in service in qualified property and intends to create 500 full-time equivalent jobs at a designated location in Illinois or intends to make a minimum investment of $30,000,000 which will be placed in service in qualified property and intends to retain 1,500 full-time jobs at a designated location in Illinois. The business must certify in writing that the investments would not be placed in service in qualified property and the job creation or job retention would not occur without the tax credits and exemptions set forth in subsection (b) of this Section. The terms "placed in service" and "qualified property" have the same meanings as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or
(B) the business intends to establish a new electric generating facility at a designated location in Illinois. "New electric generating facility", for purposes of this Section, means a newly-constructed electric generation plant or a newly-constructed generation capacity expansion at an existing electric generation plant, including the transmission lines and associated equipment that transfers electricity from points of supply to points of delivery, and for which such new foundation construction commenced not sooner than July 1, 2001. Such facility shall be designed to provide baseload electric generation and shall operate on a continuous basis throughout the year; and (i) shall have an aggregate rated generating capacity of at least 1,000 megawatts for all new units at one site if it uses natural gas as its primary fuel and foundation construction of the facility is commenced on or before December 31, 2004, or shall have an aggregate rated generating capacity of at least 400 megawatts for all new units at one site if it uses coal or gases derived from coal as its primary fuel and shall support the creation of at least 150 new Illinois coal mining jobs, or (ii) shall be funded through a federal Department of Energy grant before December 31, 2010 and shall support the creation of Illinois coal-mining jobs, or (iii) shall use coal gasification or integrated gasification-combined cycle units that generate electricity or chemicals, or both, and shall support the creation of Illinois coal-mining jobs. The business must certify in writing that the investments necessary to establish a new electric generating facility would not be placed in service and the job creation in the case of a coal-fueled plant would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or
(B-5) the business intends to establish a new gasification facility at a designated location in Illinois. As used in this Section, "new gasification facility" means a newly constructed coal gasification facility that generates chemical feedstocks or transportation fuels derived from coal (which may include, but are not limited to, methane, methanol, and nitrogen fertilizer), that supports the creation or retention of Illinois coal-mining jobs, and that qualifies for financial assistance from the Department before December 31, 2010. A new gasification facility does not include a pilot project located within Jefferson County or within a county adjacent to Jefferson County for synthetic natural gas from coal; or
(C) the business intends to establish production operations at a new coal mine, re-establish production operations at a closed coal mine, or expand production at an existing coal mine at a designated location in Illinois not sooner than July 1, 2001; provided that the production operations result in the creation of 150 new Illinois coal mining jobs as described in subdivision (a)(3)(B) of this Section, and further provided that the coal extracted from such mine is utilized as the predominant source for a new electric generating facility. The business must certify in writing that the investments necessary to establish a new, expanded, or reopened coal mine would not be placed in service and the job creation would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as

described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(D) the business intends to construct new transmission facilities or upgrade existing transmission facilities at designated locations in Illinois, for which construction commenced not sooner than July 1, 2001. For the purposes of this Section, "transmission facilities" means transmission lines with a voltage rating of 115 kilovolts or above, including associated equipment, that transfer electricity from points of supply to points of delivery and that transmit a majority of the electricity generated by a new electric generating facility designated as a High Impact Business in accordance with this Section. The business must certify in writing that the investments necessary to construct new transmission facilities or upgrade existing transmission facilities would not be placed in service without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or ~~and~~

(E) the business intends to establish a new wind power facility at a designated location in Illinois. For purposes of this Section, "new wind power facility" means a newly constructed electric generation facility, or a newly constructed expansion of an existing electric generation facility, placed in service on or after July 1, 2009, that generates electricity using wind energy devices, and such facility shall be deemed to include all associated transmission lines, substations, and other equipment related to the generation of electricity from wind energy devices. For purposes of this Section, "wind energy device" means any device, with a nameplate capacity of at least 0.5 megawatts, that is used in the process of converting kinetic energy from the wind to generate electricity; and

(4) no later than 90 days after an application is submitted, the Department shall notify the applicant of the Department's determination of the qualification of the proposed High Impact Business under this Section.

(b) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(A) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 9-222 and Section 9-222.1A of the Public Utilities Act, subsection (h) of Section 201 of the Illinois Income Tax Act, and Section 1d of the Retailers' Occupation Tax Act; provided that these credits and exemptions described in these Acts shall not be authorized until the minimum investments set forth in subdivision (a)(3)(A) of this Section have been placed in service in qualified properties and, in the case of the exemptions described in the Public Utilities Act and Section 1d of the Retailers' Occupation Tax Act, the minimum full-time equivalent jobs or full-time jobs set forth in subdivision (a)(3)(A) of this Section have been created or retained. Businesses designated as High Impact Businesses under this Section shall also qualify for the exemption described in Section 5l of the Retailers' Occupation Tax Act. The credit provided in subsection (h) of Section 201 of the Illinois Income Tax Act shall be applicable to investments in qualified property as set forth in subdivision (a)(3)(A) of this Section.

(b-5) Businesses designated as High Impact Businesses pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C), and (a)(3)(D) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 51 of the Retailers' Occupation Tax Act, Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act; however, the credits and exemptions authorized under Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act shall not be authorized until the new electric generating facility, the new gasification facility, the new transmission facility, or the new, expanded, or reopened coal mine is operational, except that a new electric generating facility whose primary fuel source is natural gas is eligible only for the exemption under Section 5l of the Retailers' Occupation Tax Act.

(b-6) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(E) of this Section shall qualify for the exemptions described in Section 5l of the Retailers' Occupation Tax Act; any business so designated as a High Impact Business being, for purposes of this Section, a "Wind Energy Business".

(c) High Impact Businesses located in federally designated foreign trade zones or sub-zones are also eligible for additional credits, exemptions and deductions as described in the following Acts: Section 9-221 and Section 9-222.1 of the Public Utilities Act; and subsection (g) of Section 201, and Section 203 of the Illinois Income Tax Act.

(d) Except for businesses contemplated under subdivision (a)(3)(E) of this Section, existing ~~Existing~~ Illinois businesses which apply for designation as a High Impact Business must provide the Department with the prospective plan for which 1,500 full-time jobs would be eliminated in the event that the business is not designated.

(e) Except for new wind power facilities contemplated under subdivision (a)(3)(E) of this Section, new ~~New~~ proposed facilities which apply for designation as High Impact Business must provide the

Department with proof of alternative non-Illinois sites which would receive the proposed investment and job creation in the event that the business is not designated as a High Impact Business.

(f) Except for businesses contemplated under subdivision (a)(3)(E) of this Section, in ~~In~~ the event that a business is designated a High Impact Business and it is later determined after reasonable notice and an opportunity for a hearing as provided under the Illinois Administrative Procedure Act, that the business would have placed in service in qualified property the investments and created or retained the requisite number of jobs without the benefits of the High Impact Business designation, the Department shall be required to immediately revoke the designation and notify the Director of the Department of Revenue who shall begin proceedings to recover all wrongfully exempted State taxes with interest. The business shall also be ineligible for all State funded Department programs for a period of 10 years.

(g) The Department shall revoke a High Impact Business designation if the participating business fails to comply with the terms and conditions of the designation. However, the penalties for new wind power facilities or Wind Energy Businesses for failure to comply with any of the terms or conditions of the Illinois Prevailing Wage Act shall be only those penalties identified in the Illinois Prevailing Wage Act, and the Department shall not revoke a High Impact Business designation as a result of the failure to comply with any of the terms or conditions of the Illinois Prevailing Wage Act in relation to a new wind power facility or a Wind Energy Business.

(h) Prior to designating a business, the Department shall provide the members of the General Assembly and Commission on Government Forecasting and Accountability with a report setting forth the terms and conditions of the designation and guarantees that have been received by the Department in relation to the proposed business being designated.

(Source: P.A. 94-65, eff. 6-21-05; 95-18, eff. 7-30-07.)

Section 10. The Prevailing Wage Act is amended by changing Section 2 as follows:

(820 ILCS 130/2) (from Ch. 48, par. 39s-2)

Sec. 2. This Act applies to the wages of laborers, mechanics and other workers employed in any public works, as hereinafter defined, by any public body and to anyone under contracts for public works. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

As used in this Act, unless the context indicates otherwise:

"Public works" means all fixed works constructed by any public body, other than work done directly by any public utility company, whether or not done under public supervision or direction, or paid for wholly or in part out of public funds. "Public works" as defined herein includes all projects financed in whole or in part with bonds issued under the Industrial Project Revenue Bond Act (Article 11, Division 74 of the Illinois Municipal Code), the Industrial Building Revenue Bond Act, the Illinois Finance Authority Act, the Illinois Sports Facilities Authority Act, or the Build Illinois Bond Act, and all projects financed in whole or in part with loans or other funds made available pursuant to the Build Illinois Act. "Public works" also includes all projects financed in whole or in part with funds from the Fund for Illinois' Future under Section 6z-47 of the State Finance Act, funds for school construction under Section 5 of the General Obligation Bond Act, funds authorized under Section 3 of the School Construction Bond Act, funds for school infrastructure under Section 6z-45 of the State Finance Act, and funds for transportation purposes under Section 4 of the General Obligation Bond Act. "Public works" also includes all projects financed in whole or in part with funds from the Department of Commerce and Economic Opportunity under the Illinois Renewable Fuels Development Program Act for which there is no project labor agreement. "Public works" also includes all projects at leased facility property used for airport purposes under Section 35 of the Local Government Facility Lease Act. "Public works" also includes the construction of a new wind power facility by a business designated as a High Impact Business under Section 5.5(a)(3)(E) of the Illinois Enterprise Zone Act.

"Construction" means all work on public works involving laborers, workers or mechanics. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

"Locality" means the county where the physical work upon public works is performed, except (1) that if there is not available in the county a sufficient number of competent skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any other county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be construed to include two or more adjacent counties from which workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or commission of the State or any political subdivision or department thereof, or any institution supported in whole or in part by public funds, and includes every county, city, town, village, township, school district, irrigation, utility, reclamation improvement or other district and every other political subdivision, district or municipality of the state whether such political subdivision, municipality or district operates under a special charter or not.

The terms "general prevailing rate of hourly wages", "general prevailing rate of wages" or "prevailing rate of wages" when used in this Act mean the hourly cash wages plus fringe benefits for training and apprenticeship programs approved by the U.S. Department of Labor, Bureau of Apprenticeship and Training, health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public works.
(Source: P.A. 94-750, eff. 5-9-06; 95-341, eff. 8-21-07.)

Section 99. Effective date. This Act takes effect July 1, 2009.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

On motion of Senator Viverito, **Senate Bill No. 2126,** having been printed, was taken up, read by title a second time and ordered to a third reading.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its April 1, 2009 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committee of the Senate:

Executive: **Senate Floor Amendment No. 3 to House Bill 210; Senate Floor Amendment No. 2 to House Bill 289; Senate Floor Amendment No. 3 to House Bill 289; Senate Floor Amendment No. 2 to Senate Bill 349**.

COMMITTEE MEETING ANNOUNCEMENTS

The Chair announced the following committees to meet tomorrow, Thursday, April 2, 2009:

Executive State and Local Government Subcommittee, in Room 212, at 8:30 o’clock a.m.

Executive, in Room 212, at 9:15 o’clock a.m.

At the hour of 9:30 o'clock p.m., the Chair announced that the Senate stand adjourned until Thursday, April 2, 2009, at 10:30 o'clock a.m.