

THE FLINN REPORT

ILLINOIS GENERAL ASSEMBLY
JOINT COMMITTEE ON ADMINISTRATIVE RULES

Elaine Spencer, Editor

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

Proposed Rulemakings

• TAXES

The DEPARTMENT OF REVENUE proposed amendments to the following 9 Parts: Retailers' Occupation Tax (86 IAC 130; 50 Ill Reg 3987), Use Tax (86 IAC 150; 50 Ill Reg 4067), Vehicle Use Tax (86 IAC 151; 50 Ill Reg 4081), Gas Revenue Tax Act (86 IAC 470; 50 Ill Reg 4085), Gas Use Tax Law (86 IAC 471; 50 Ill Reg 4090), Hotel Operators' Occupation Tax Act (86 IAC 480; 50 Ill Reg 4096), Telecommunications Excise Tax (86 IAC 495; 50 Ill Reg 4102), Electricity Excise Tax Law (86 IAC 511; 50 Ill Reg 4119), and Municipal Motor Fuel Tax (86 IAC 696; 50 Ill Reg 4126). These amendments implement various provisions of Public Act 104-6, which was effective 7/1/25.

Sales Tax

The Part 130 rulemaking provides that the rolling stock sales tax exemption for limousines applies only to limousines not used to provide

transportation network company services. Repair and replacement parts purchased on or after 7/1/25 are tax exempt only if they are not for a vehicle used to provide transportation network company (TNC) services. "Transportation network company services" are statutorily defined as transportation of a passenger

between points chosen by the passenger and prearranged with a TNC driver through the use of a TNC digital network or software application (e.g., Uber, Lyft) and do not include taxicabs, for-hire vehicles, or street hail services. This rulemaking also, for vehicle sales on and after 6/16/25, applies a rebuttable presumption that the sale of a vehicle in Illinois to an out of State limited liability company (LLC) with at least one Illinois resident member is subject

to Illinois tax. This presumption may be rebutted by evidence that the vehicle will be permanently stored or garaged outside of Illinois or that the vehicle is insured at an out of State address. The rulemaking also adds a statutory provision that DOR may deny a retailer a certificate of registration if any owner, partner, or members of the LLC or corporation applying for registration have failed to file required returns on time (currently, when any owner, partner or LLC/corporation member is in default on taxes or fees owed to DOR). When DOR decides whether to require a retailer to post a surety bond as a condition of receiving a certificate of registration, it must consider whether the owner, partner, or any member of the corporation or LLC seeking registration is in default on a tax obligation, or has had a certificate of registration from DOR revoked within the past 5 years. The rulemaking also

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ADOPTED RULES: Rules adopted by agencies this week. **EMERGENCY RULES:** Temporary rules adopted for no more than 150 days. **PROPOSED RULEMAKINGS:** Rules proposed by agencies this week, commencing a First Notice public comment period of at least 45 days. **PEREMPTORY RULES:** Rules adopted without prior public notice or JCAR review as authorized by 5 ILCS 100/5-50.

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

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

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

Proposed Rulemakings

(cont. from page 1)

specifies how retailers subject to Illinois sales tax must display their certificates of registration and adds provisions for claiming sales tax exemption on building materials to be used for construction of a quantum computing campus.

Vehicle Use Tax

The Part 150 amendment provides that for vehicle sales on and after 6/16/25, a rebuttable presumption applies that the sale of a vehicle in Illinois to an out of State limited liability company (LLC) with at least one Illinois resident member will be subject to Illinois use tax. This presumption may be rebutted by evidence that the vehicle will be permanently stored or garaged outside of Illinois or that the vehicle is insured at an out of State address. The Part 151 rulemaking implements a statutory exemption from vehicle use tax for purchases of vehicles for resale by retailers registered with DOR under the Retailer's Occupation Tax Act.

Quantum Computing

Amendments to Parts 470 and 471 exempt tenants of a quantum computing campus from being charged taxes on natural gas if the tenant has been certified eligible for tax exemption by the Department of Commerce and Economic

Opportunity. This exemption may remain in effect for up to 20 years with one renewal for another 20 years. The Part 495 and 511 rulemakings apply the same exemption to telecommunications taxes and electricity excise taxes.

Short-Term Rentals

The Part 480 rulemaking removes an exemption from hotel taxes for short-term rentals and for fees charged by hosting platforms for short-term rentals.

Cook County Gas Tax

Finally, the Part 696 rulemaking adds a statutory provision specifying that in a municipality which lies partly within Cook County and partly outside of that county, the additional 3 cents per gallon motor fuel tax authorized for Cook County municipalities may be imposed only in those portions of the municipality that lie within Cook County. (Current rule requires the additional Cook County tax to be imposed throughout the municipality.)

Questions/requests for copies/comments on the 9 DOR rulemakings through 4/27/26: George L. Encarnacion, Jr., DOR, 101 W. Jefferson St., Springfield IL 62702, 217-782-7055, REV.GCO@illinois.gov

• RADIOGRAPHY

The ILLINOIS EMERGENCY MANAGEMENT AGENCY AND OFFICE OF HOMELAND SECURITY proposed

amendments to the Part titled Use of X-Rays in the Healing Arts Including Medical, Dental, Podiatry, and Veterinary Medicine (32 IAC 360; 50 Ill Reg 3961). These amendments authorize use of Enhanced Radiation Protection Systems (ERPS) by medical personnel during fluoroscopically guided procedures (e.g., cardiac catheterization) as an alternative to wearing lead aprons. Users of ERPS must document that the system meets specified safety criteria and that they have training protocols for personnel that use these systems.

Questions/requests for copies/comments through 4/27/26: Traci Burton, IEMA-OHS, 2200 S. Dirksen Parkway, Springfield IL 62703, 217-785-9860 (voice), Traci.Burton@illinois.gov

COMPTRROLLER REPEALER

The OFFICE OF THE COMPTRROLLER proposed repeal of the Part titled Direct Deposit (38 IAC 650; 50 Ill Reg 3953), which has not been updated since its adoption in 1983. These rules are being repealed because they contain outdated requirements and processes that are inconsistent with current practices.

Questions/requests for copies/comments through 4/27/26: Adam Alstott, Office of the Comptroller, 325 W. Adams St., Springfield IL 62704, 217-558-5157, Adam.Alstott@illinoiscomptroller.gov

Adopted Rules

SICKLE CELL THERAPY

The DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES adopted amendments to Medical Assistance Programs (89 IAC 120; proposed at 49 Ill Reg 15023) effective 2/26/26 at 50 Ill Reg 4141, instituting a Cell and Gene Therapy (CGT) Access Model Program for persons with sickle cell disease. (The CGT Access Model is a multi-year voluntary Medicaid waiver program for states that participate in Medicaid Drug Rebate Programs.) To qualify for this program, an individual must have a documented medical diagnosis of sickle cell disease; be enrolled in and have Medicaid as their primary payer at the time the therapy is administered; receive a model drug or gene therapy from a participating manufacturer; meet clinical eligibility criteria established by the U.S. Food and Drug Administration and HFS' published policy; and meet prior authorization criteria established in outcome-based agreements with the participating manufacturer. Since 1st Notice, HFS has added a link to the prior authorization policies posted at the Department's website.

Questions/requests for copies: Kathy Hunt Muse, HFS, 201 S. Grand Ave. East, 3rd Floor, Springfield IL 62763-0002, 217-782-1233, HFS.Rules@illinois.gov

SNAP ELIGIBILITY

The DEPARTMENT OF HUMAN SERVICES adopted amendments to Supplemental Nutrition Assistance Program (SNAP) (89 IAC 121; proposed at 49 Ill Reg 12830) effective 2/24/26 at 50 Ill Reg 4155, replacing emergency amendments that were effective 10/1/25. This rulemaking updates the monthly SNAP benefit levels along with the income thresholds, exemptions and

deductions used when determining SNAP financial eligibility. Maximum net monthly income based on household size is adjusted for inflation and raised to \$1,305 (formerly \$1,255) for 1 person, \$1,763 (formerly \$1,704) for 2 persons and \$2,680 (formerly \$2,600) per month for 4 persons. Gross income limits based on a percentage of the Federal Poverty Level (130%, 165% or 200%) by household size are also increased, as are standard deductions, deductions for shelter costs, and utility deductions. Finally, the maximum SNAP benefit per household is increased by approximately \$5 per person per month, to \$298 (formerly \$292) for 1 person, \$546 (formerly \$536) for 2 persons, and \$994 (formerly \$975) for 4 persons.

Questions/requests for copies: Tracie Drew, DHS, 100 S. Grand Ave. East, Harris Building, 3rd Floor, Springfield IL 62762, 217-785-9772, DHS.AdministrativeRules@illinois.gov

COMMUNITY COLLEGES

The ILLINOIS COMMUNITY COLLEGE BOARD adopted amendments to Administration of the Illinois Public Community College Act (23 IAC 1501; proposed at 49 Ill Reg 7743) effective 3/2/26 at 50 Ill Reg 4131, concerning community college scholarships for Lincoln's Challenge Academy graduates. (The Academy, located in Rantoul and administered by the Department of Military Affairs, provides quasi-military-style education and life skills training for youth ages 15½ to 18.) The rulemaking increases the scholarship from \$1,000 to \$2,000 per semester for a maximum of 4 semesters, and allows the scholarship to be deferred for up to two semesters if a deferral application is submitted by August 10 for the fall semester and January 10

for the spring semester. Students who leave the Academy and earn their diploma from an Illinois public high school may also apply for the scholarship. Applications and transcripts required for renewal of a Lincoln's Challenge scholarship must be submitted by August 10 for the fall semester.

Questions/requests for copies: Matt Berry, ICCB, 401 E. Capitol Ave., Springfield IL 62701-1711, 217-785-7411, Matt.Berry@illinois.gov

STATE RETIREMENT

The STATE EMPLOYEES' RETIREMENT SYSTEM adopted amendments to The Administration and Operation of the State Employees' Retirement System of Illinois (80 IAC 1540; proposed at 49 Ill Reg 14482) effective 2/27/26 at 50 Ill Reg 4175, clarifying certain aspects of Qualified Illinois Domestic Relations Orders (QILDROs) that divide pension benefits between divorced spouses or among family members. The rulemaking clarifies that if a QILDRO makes a portion of a member's partial refund payable to an alternate payee but the QILDRO Calculation Order (QCO) itself does not specify the amount to be paid to the alternate payee, then the entire partial refund shall be payable to the member. This rulemaking also provides that no QCO is required when the death benefit is payable to only the alternate payee and the member's estate, or when the death benefit totals the minimum of \$500 established in the Pension Code.

Questions/requests for copies: Jeff Houch, State Retirement Systems, 2101 S. Veterans Pkwy., PO Box 19255, Springfield IL 62794-9255, 217-524-8105, fax 217-557-3943, jeff.houch@srs.illinois.gov

Second Notices

The following rulemakings were moved to Second Notice this week by the agencies listed below, commencing the JCAR review period. The Department of Children and Family Services rulemaking will be considered at the March 24 meeting. All other rulemakings will be considered at the April 14 meeting. Other items not published in the *Illinois Register* or The Flinn Report may also be considered. Further comments concerning these rulemakings should be addressed to JCAR at jcar@ilga.gov.

DEPT OF CHILDREN AND FAMILY SERVICES

Background Checks (89 IAC 385; 49 Ill Reg 5510) proposed 4/25/25

DEPT OF COMMERCE AND ECONOMIC OPPORTUNITY

Illinois Film Production Service Tax Credit Program (14 IAC 528; 50 Ill Reg 525) proposed 1/16/26

DEPT OF HEALTHCARE AND FAMILY SERVICES

Hospital Services (89 IAC 148; 50 Ill Reg 584) proposed 1/16/26

DEPT OF NATURAL RESOURCES

Camping on Department of Natural Resources Properties (17 IAC 130; 49 Ill Reg 15471) proposed 12/5/25

Landowner Permits (17 IAC 528; 49 Ill Reg 15037) proposed 12/1/25

Commercial Fishing and Musseling in Certain Waters of the State (17 IAC 830; 49 Ill Reg 14164) proposed 10/31/25

Revocation Procedures for Conservation Offenses (17 IAC 2530; 49 Ill Reg 15055) proposed 12/1/25

Next JCAR Meeting: Tuesday, March 24, 10:30 a.m.

Room C-1, Stratton Bldg., 401 S. Spring St., Springfield

Meeting will be live streamed on the JCAR website

Joint Committee on Administrative Rules

Senator Bill Cunningham, Co-Chair

Senator Cristina Castro

Senator Donald DeWitte

Senator Dale Fowler

Senator Napoleon Harris, III

Senator Sally Turner

Representative Ryan Spain, Co-Chair

Representative Eva-Dina Delgado

Representative Jackie Haas

Representative Steven Reick

Representative Curtis Tarver, II

Representative Dave Vella

Kim Schultz, Executive Director ■ Kevin Kulavic, Deputy Director

700 Stratton Office Building, Springfield IL 62706

217-785-2254 ■ jcar@ilga.gov