

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

▪ MANUFACTURING TAX CREDITS

The DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY proposed a new Part titled Advancing Innovative Manufacturing (AIM) for Illinois Tax Credit Program (14 IAC 565; 50 Ill Reg 5088) This program is intended to facilitate production of manufactured goods in the United States and to spur innovation in growth industries such as automotive manufacturing; aerospace manufacturing; energy and life sciences; machine manufacturing; fabricated metal manufacturing; chemical manufacturing; robotics; and the production of advanced materials. Businesses eligible to apply for this program must be located, or planning to locate, in Illinois and must devote at least 50% of their business activity to the manufacturing, research, or development of critically needed goods. "Critically needed goods" are defined in the rule as products or materials produced through advanced

manufacturing that are essential for maintaining public health, public safety, economic security, or vital infrastructure, and for which there is a risk of supply chain disruption. Examples of critically needed goods include semiconductors, certain materials and minerals, energy materials and essential consumer

Adopted Rules, Page 2
Second Notices, Page 4

goods, and goods needed by growth industries. Special consideration will be given to applicant businesses that are located in underserved areas; create or retain a significant number of jobs; are engaged in industries "vital to the Illinois economy"; and have significant capital improvement investments. Proposed projects must include a capital investment of at least \$10 million to qualify for the tax credit program. The business also must not have the same location or address enrolled in another DCEO tax credit

program (e.g., EDGE, REV, MICRO, Data Center Investment) at the same time, but may enroll in AIM after the existing tax credit program agreement expires or is voluntarily terminated. Participating businesses must maintain operations at the project location for a minimum of 15 years and must report to DCEO the number of hired or retained full time employees and the amount of capital improvement investment. The maximum tax credit available under the AIM program is 3%, 5%, or 7% of the capital improvement amount, depending on the size of the project. Other provisions of this rulemaking address the application process and the process for recapturing tax credits if a business is not in compliance with its agreement. Businesses engaged in the production of critically needed goods may be affected by this rulemaking.

(cont. page 2)

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

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

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

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

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

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

Proposed Rulemakings

(cont. from page 1)

Questions/requests for copies/comments through 5/26/26: Gina Arterberry, DCEO, 607 E. Adams St., Springfield IL 60601, 217-524-8974, Gina.M.Arterberry@Illinois.gov

SBEL REPEALER

The STATE BOARD OF ELECTIONS proposed repeal of the Part titled

Personnel (26 IAC 212; 50 Ill Reg 5109) in order to modernize its internal personnel policies. SBEL did not indicate whether replacement rules will be proposed.

Questions/requests for copies/comments through 5/26/26: H. Poyer, SBEL, 2329 S. MacArthur Blvd., Springfield IL 62704, 217-782-4141, GeneralCounsel@elections.il.gov

SOS RULE WITHDRAWAL

The SECRETARY OF STATE has withdrawn proposed amendments to

Issuance of Licenses (92 IAC 1030; 50 Ill Reg 597) that were published in the 1/16/26 *Illinois Register*. This rulemaking would have enabled SOS to participate in the national Driver's License Data Verification (DLDV) service, through which federal and state government agencies can verify information obtained from state-issued driver's licenses or ID cards. SOS has withdrawn this rulemaking because it is reevaluating its participation in the DLDV program.

Adopted Rules

HOSPITAL ASSESSMENTS

The DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES adopted amendments to Medical Payment (89 IAC 140; proposed at 49 Ill Reg 14475) effective 3/27/26 at 50 Ill Reg 5204, replacing emergency amendments that were effective 11/3/25. This rulemaking implements PA 104-7 and reflects previous hospital assessment program provisions already in the Public Aid Code.

Unpaid Assessments

Beginning 9/1/25, HFS shall immediately collect all overdue unpaid assessments and penalties through statutorily authorized collection methods, unless the hospital has agreed to a payment or tax deferral plan by that date. This rulemaking removes a prohibition on HFS initiating collections, refunds, credits or other adjustments of hospital assessments more than 3 years after their due date. DPH's listing of licensed hospital providers will now include monthly assessment amounts for each hospital and any unpaid assessments more than 90 days delinquent. HFS may, in its discretion, foreclose on a lien placed

against a hospital for unpaid assessments and shall (previously, may) collect unpaid assessments by withholding reimbursements, including but not limited to payments from Medicaid MCOs. (Since 1st Notice, HFS has added language stating that factors to be considered in deciding whether to foreclose on a lien include, but are not limited to, the amount of the unpaid lien, the likelihood of payment through alternative methods, the existence of liens with priority, the economic viability of the debtor, and the value of the property.) These collection requirements can be waived during a disaster proclamation by the Governor if a hospital is in temporary financial distress and enters an agreement with HFS specifying when all assessments owed will be paid. Hospitals can also avoid collection action by entering into a repayment plan (maximum 36 months) or a tax deferral agreement (maximum 6 months) within 30 days after receiving notice of an unpaid assessment.

Assessments

Effective 1/1/25, this rulemaking increases the inpatient hospital assessment from \$221.50 to \$362 per

non-Medicare occupied bed day and the outpatient assessment from 1.525% to 3.273% of gross outpatient revenue. The previous assessment rates shall remain in effect until HFS receives federal approval and implements its new reimbursement rates. HFS may bill hospitals for the difference between the previous assessment and the new assessment, retroactive from 1/1/25 through the date of federal approval, no earlier than 17 days after the new reimbursement rates are implemented. These payments shall be due no later than 12/31/25. These assessments shall not take effect if payments to hospitals from the Healthcare Provider Relief Fund are deemed not eligible for federal match.

Other

The rulemaking increases the amount of collected assessments to be transferred from the Hospital Provider Fund to the Healthcare Provider Relief Fund to \$505,637,082 for calendar year 2025 and every calendar year thereafter once new reimbursement rates are fully implemented. Until then, the transfer of \$365 million

(cont. page 3)

Adopted Rules

(cont. from page 2)

authorized in State fiscal years 2023 and 2024 shall remain in effect. If assessment rates are reduced, the transfer amount will be reduced by the same percentage. Additional provisions update the formula for adjusting outpatient assessments; allow some hospitals to choose classification as either a safety net hospital or high Medicaid hospital on a year-by-year basis; and establish "hypothetical" assessments for specific hospitals that changed ownership in 2021 and 2022.

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

DCFS ADVISORY GROUPS

The DEPARTMENT OF CHILDREN AND FAMILY SERVICES repealed the Part titled Department Advisory Groups (89 IAC 428; proposed at 49 Ill Reg 3681) and adopted a new Part with the same number and title (89 IAC 428; proposed at 49 Ill Reg 3695), both

effective 3/24/26 at 50 Ill Reg 5163 and 5165. The new Part replaces the former list of specific advisory groups with general descriptions of the types of advisory groups with which DCFS may consult (statutory advisory groups, non-statutory advisory groups, task forces and commissions, other advisory groups). Meetings of all advisory groups shall be open to the public unless provided otherwise by law. Members of advisory groups are subject to economic interest disclosure and conflict of interest statutes. Advisory groups may not engage in media contacts or create e-mail or social media accounts without approval or authorization from DCFS.

Questions/requests for copies of the 2 DCFS rulemakings: Jeff Osowski, DCFS, 406 E. Monroe St., Station #65-D, Springfield IL 62701, 217-524-1983, DCFS.Policy@illinois.gov

CAMPAIGN FINANCING

The STATE BOARD OF ELECTIONS adopted amendments to the Part titled Campaign Financing (26 IAC 100; proposed at 49 Ill Reg 14347) effective 3/27/26 at 50 Ill Reg 5180, clarifying campaign disclosure requirements

under Article 9 of the Election Code [10 ILCS 5]. The amendments state that the name of a political action committee formed by a group of candidates must include the name of the entity that formed the committee (currently, the name of the office that the candidates are seeking and the name of the applicable unit of government) and also repeal an obsolete Section defining and regulating "sponsoring entities".

VOTER DATA

SBEL also adopted an amendment to the Part titled Miscellaneous (26 IAC 207; proposed at 49 Ill Reg 12306) effective 3/27/26 at 50 Ill Reg 5198, which clarifies that payment for voter data files purchased by certain entities as authorized by statute can be made by cash, credit card, money order, cashier's check, treasurer's check, or Automated Clearing House (ACH) electronic transfer. Personal checks will not be accepted.

Questions/requests for copies of the 2 SBEL rulemakings: H. Poyer, SBEL, 2329 S. MacArthur Blvd., Springfield IL 62704, 217-782-4141, GeneralCounsel@elections.il.gov

Second Notices

The following rulemakings were moved to Second Notice this week by the agencies listed below, commencing the JCAR review period. These rulemakings will be considered at the May 12, 2026, meeting in Springfield. 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 REVENUE

Income Tax (86 IAC 100; 50 Ill Reg 59) proposed 1/2/26

Cannabis Purchaser Excise Tax (86 IAC 423; 49 Ill Reg 15809) proposed 12/19/25

Cigarette Tax Act (86 IAC 440; 49 Ill Reg 15814) proposed 12/19/25

Cigarette Use Tax Act (86 IAC 450; 49 Ill Reg 15859) proposed 12/19/25

Tobacco Products Tax Act of 1995 (86 IAC 660; 49 Ill Reg 15884) proposed 12/19/25

DEPT OF FINANCIAL AND PROFESSIONAL REGULATION

Residential Mortgage License Act of 1987 (38 IAC 1050; 49 Ill Reg 10341) proposed 8/15/25

OFFICE OF THE STATE FIRE MARSHAL

Small Equipment Grant Program (41 IAC 291; 50 Ill Reg 951) proposed 1/23/26

Fire Station Rehabilitation and Construction Grant Program (41 IAC 296; 50 Ill Reg 968) proposed 1/23/26

DEPT OF HUMAN SERVICES

Supplemental Nutrition Assistance Program (SNAP) (89 IAC 121; 49 Ill Reg 8523) proposed 6/27/25

DEPT OF PUBLIC HEALTH

Skilled Nursing and Intermediate Care Facilities Code (77 IAC 300; 50 Ill Reg 1804) proposed 2/6/26

Sheltered Care Facilities Code (77 IAC 330; 50 Ill Reg 1840) proposed 2/6/26

Illinois Veterans' Homes Code (77 IAC 340; 50 Ill Reg 1869) proposed 2/6/26

Illinois Clinical Laboratories Code (77 IAC 450; 50 Ill Reg 1895) proposed 2/6/26

Next JCAR Meeting: Tuesday, April 14, 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