

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

• TRUST COMPANIES

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION proposed amendments to Minimum Organizational Capital Requirements for Banks and Trusts (38 IAC 310; 50 Ill Reg 8817), Corporate Applications for Banks and Corporate Fiduciaries (38 IAC 370; 50 Ill Reg 8827), Corporate Fiduciary Applications and Notices (38 IAC 396; 50 Ill Reg 8837), Corporate Fiduciary Receivership Account (38 IAC 397; 50 Ill Reg 8845), Pledging Requirements for Illinois Trust Companies (38 IAC 398; 50 Ill Reg 8851) and Standards for Operation and Conduct of Affairs of Corporate Fiduciaries (38 IAC 399; 50 Ill Reg 8858). These rulemakings implement Public Act 104-428, which added provisions for special purpose trust companies to the Corporate Fiduciary Act [205 ILCS 620]. (Special purpose trust companies handle non-traditional assets such as securities, digital assets, or fiat currency, or are

created for a specific purpose such as ensuring business succession or liability protection.) Amendments to Part 310 increase the minimum organizational capital requirement for Illinois trust companies from \$3,000,000 to \$5,000,000; establish minimum organizational capital requirements for special purpose trust companies; describe circumstances

Adopted Rule, Page 2 Second Notices, Page 3

when greater capital requirements may be necessary; and address mergers and consolidations. The Part 370 rulemaking clarifies that various application and other fees applicable to Illinois trust companies under the Corporate Fiduciary Act also apply to special purpose trust companies. Amendments to Part 396 add a new Subpart addressing special purpose trust companies; specify what must be included in a special purpose trust company's application for a certificate

of authority; describe the investigation and findings DFPR must conduct before issuing a certificate of authority; and prescribe name requirements for special purpose trust companies. The Part 397 rulemaking includes special purpose trust companies in its definitions of "corporate fiduciary" and "Illinois trust company" and the Part 398 amendments clarify that existing pledging or surety bond requirements for trust companies apply to special purpose trust companies. Finally, the Part 399 rulemaking adds a new Subpart setting requirements for special purpose trust companies and other trust companies with a certificate of authority. The rulemaking defines applicable terms, establishes additional capital requirements; sets requirements for custodial accounts; and requires insurance coverage, annual general audits and cybersecurity audits, and

(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)

provisions for backup custodians. Those affected by this rulemaking includes small businesses that establish special purpose trusts.

Questions/requests for copies/comments on the 6 DFPR rulemakings through 8/19/26: Craig Cellini, DFPR, 320 West Washington St., 2nd Floor, Springfield IL 62786, 217-785-0810, fax 217-557-4451, Craig.Cellini@illinois.gov

HOSPITALS

The DEPARTMENT OF PUBLIC HEALTH proposed amendments to Hospital

Licensing Requirements (77 IAC 250; 50 Ill Reg 8873) that remove outdated mechanical ventilation system requirements and update relevant incorporated and referenced materials.

• MATERNAL & CHILD HEALTH

DPH also proposed amendments to Maternal and Child Health Services Code (77 IAC 630; 50 Ill Reg 8905) that update the High Risk Infant Follow up Program to reflect current statutory requirements and to direct referrals to the Department of Human Services. Local health departments may be affected.

Questions/requests for copies/comments on the 2 DPH rulemakings through 8/19/26: Tracey Trigillo, DPH, 524 S. Second St., 6th

Floor, Springfield IL 62701, 217-782-1159, dph.rules@illinois.gov

ELECTIONS

The STATE BOARD OF ELECTIONS proposed an amendment to Miscellaneous (26 IAC 207; 50 Ill Reg 8812) repealing a Section concerning certification of signature imaging systems. The rules in this Section have been replaced by 26 IAC 410 (Certification of Computer-Based Voter Registration Systems) which was adopted effective 1/2/26.

Questions/requests for copies/comments through 8/19/26: H. Poyer, SBEL, 2329 S. MacArthur Blvd., Springfield IL 62704, 217-782-4141, GeneralCounsel@elections.il.gov

Adopted Rule

• JOB POSTINGS

The DEPARTMENT OF LABOR adopted amendments to the Part titled Equal Pay in Employment (56 IAC 320; proposed at 49 Ill Reg 11584) effective 6/18/26 at 50 Ill Reg 8918, implementing Public Act 103-539. The PA and this rulemaking, which has been extensively revised since 1st Notice, require employers to include pay scale and benefits information in any job posting or promotional opportunity for a specific position.

Job Postings

A "job posting" is defined as a written announcement that an employer is seeking to hire or is accepting applications for a specific position, whether it is announced, posted, published (in print or online) or otherwise made known by the employer, an agent, or a third party that the employer has engaged for the purpose of disseminating job postings. Promotional opportunities circulated

among current employees for those seeking a higher or better paying position are also subject to this Part. Job postings do not include general announcements that do not identify a specific position (e.g., "help wanted" or "now hiring" signs). "Pay scale and benefits", for purposes of this Part, includes the wage, salary, or wage/salary range being paid for the position and a general description of other compensation such as bonuses, stock options, or other incentives being offered. All benefits provided or made available for a particular position, including health insurance, retirement benefits, paid time off (including vacation, sick leave and parental leave) and any other benefits that must be reported for federal tax purposes must be included in the job posting. This rulemaking also clarifies the relative responsibilities between employers who use third parties to publish job postings and the third parties; streamlines DOL's complaint procedures by eliminating "informal

investigative hearings" and repealing various outdated Sections; and implements Public Act 104-17 by eliminating references to the federal EEO-1 data collection program.

Penalties

Since 1st Notice, DOL has added the statutory penalties for violations. For violations of pay transparency and promotional opportunity requirements in job postings, employers will be given 14 days to remedy a first offense, after which a fine of up to \$500 may be imposed. For a second violation, the employer has 7 days to remedy followed by a fine up to \$2,500. For third and subsequent violations, the fine is up to \$10,000 with no cure period for any violations in the next 5 years. Fines for underpayment of wages and other violations of the Equal Pay Act range from \$500 to \$5,000 for employers with 3 or fewer employees and \$2,500

(cont. page 3)

Adopted Rule

(cont. from page 2)

to \$5,000 for 4 to 99 employees, depending on whether the violation is the first, second or third/subsequent offense. For employers of 100 or more employees, penalties may be up to \$10,000 for any violation.

Other

Other changes since 1st Notice clarify various definitions; state that "minor

privileges incidental to regular salary or wages" are not among the benefits that must be reported; include anticipated or possible bonuses, stock options, and other non-salary compensation in the definition of "pay scale and benefits"; and allow screen captures or other visual representations of how a job posting appeared when originally published to serve as a record of the pay scale, benefits or promotional opportunities that were offered. DOR has also added the factors it will consider when

determining whether an alleged violation is under its jurisdiction (e.g., how much or what kind of work was performed outside Illinois). Small businesses are affected.

Questions/requests for copies: Sarah Doerr, DOL, 524 S. 2nd Street, Suite 400, Springfield IL 62701, 217-836-4120, Sarah.Doerr@illinois.gov or DOL.Rules@illinois.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 July 14, 2026, meeting in Chicago. Other items not listed in the Illinois Register or Flinn Report may also be considered. Further comments concerning these rulemakings should be addressed to JCAR at jcar@ilga.gov.

DEPT OF FINANCIAL AND PROFESSIONAL REGULATION

Student Loan Servicing Rights Act (38 IAC 1010; 50 Ill Reg 1597) proposed 1/30/26

HEALTH FACILITIES AND SERVICES REVIEW BOARD

Narrative and Planning Policies (77 IAC 1100; 50 Ill Reg 4964) proposed 4/3/26

Processing, Classification Policies and Review Criteria (77 IAC 1110; 50 Ill Reg 5003) proposed 4/3/26

DEPT OF REVENUE

Retailer's Occupation Tax (86 IAC 130; 50 Ill Reg 3987) proposed 3/13/26

Leveling the Playing Field for Illinois Retail Act (86 IAC 131; 50 Ill Reg 6403) proposed 5/8/26

Use Tax (86 IAC 150; 50 Ill Reg 4067) proposed 3/13/26

Vehicle Use Tax (86 IAC 151; 50 Ill Reg 4081) proposed 3/13/26

Gas Revenue Tax Act (86 IAC 470; 50 Ill Reg 4085) proposed 3/13/26

Gas Use Tax Law (86 IAC 471; 50 Ill Reg 4090) proposed 3/13/26

Hotel Operators' Occupation Tax Act (86 IAC 480; 50 Ill Reg 4096) proposed 3/13/26

Telecommunications Excise Tax (86 IAC 495; 50 Ill Reg 4102) proposed 3/13/26

Electricity Excise Tax Law (86 IAC 511; 50 Ill Reg 4119) proposed 3/13/26

Municipal Motor Fuel Tax (86 IAC 696; 50 Ill Reg 4126) proposed 3/13/26

Next JCAR Meeting: Tuesday, July 14, 11 a.m.

Room C-600, Bilandic Bldg., 160 N. LaSalle St., Chicago

Meeting will be live streamed on the JCAR website

Joint Committee on Administrative Rules

Senator Bill Cunningham, Co-Chair

Senator Terri Bryant

Senator Cristina Castro

Senator Donald DeWitte

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