



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB3212

Introduced 2/18/2025, by Rep. Steven Reick

#### SYNOPSIS AS INTRODUCED:

New Act

5 ILCS 120/2

from Ch. 102, par. 42

5 ILCS 140/7.5

Creates the Local Government Bankruptcy Neutral Evaluation Act. Makes legislative findings. Defines terms. Authorizes a local public entity to initiate a neutral evaluation process if that entity is unable to meet its financial obligations. Provides for the selection and qualification of an evaluator, the evaluation process, cessation of an evaluation, declaration of a fiscal emergency, and definition of liabilities. Provides that records prepared for or used in connection with the Local Government Bankruptcy Neutral Evaluation Act are exempt from disclosure. Amends the Open Meetings Act. Provides that a public body may hold closed meetings related to the Local Government Bankruptcy Neutral Evaluation Act. Amends the Freedom of Information Act. Makes conforming changes. Effective immediately.

LRB104 10230 RTM 20304 b

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Local  
5 Government Bankruptcy Neutral Evaluation Act.

6 Section 2. Findings. Filing for Chapter 9 can reduce  
7 service levels to the taxpayers and residents of a local  
8 public entity. In some circumstances, it can have major  
9 short-term and long-term fiscal consequences for the entity,  
10 the surrounding entities, and the State. Filing for bankruptcy  
11 protection under Chapter 9 should be considered a last resort,  
12 to be instituted only after other reasonable efforts have been  
13 made to avoid a bankruptcy filing or otherwise appropriately  
14 plan for it. It is in the interest of the State, units of local  
15 government, and the public that local governmental entities  
16 have sufficiently sound financial capacity to provide required  
17 services to the public during any restructuring or financial  
18 reorganization process. Furthermore, it is in the best  
19 interest of the public, the State, and local governmental  
20 entities that employees, trade creditors, bondholders, and  
21 other interest holders be included in an appropriate  
22 restructuring process and have an adequate understanding of  
23 the financial capacity of local governmental entities and

1 their obligations, as a clear understanding of both is  
2 necessary for any restructuring or reorganization process.

3 To the extent financial relief granted through Chapter 9  
4 can affect debt service payments, the bondholders have a  
5 direct interest in the Chapter 9 process, particularly prior  
6 to filing. Therefore, it is important for those parties to be  
7 able to participate in a prefiling confidential neutral  
8 evaluation process that could assist parties in reaching a  
9 settlement and avoiding a bankruptcy filing or otherwise lead  
10 to a pre-negotiated consensual plan of readjustment as clearly  
11 contemplated by subsection (c) of Section 109 of Title 11 of  
12 the United States Code.

13 To the extent financial relief granted through Chapter 9  
14 could affect public employee compensation, employees have a  
15 direct interest in the Chapter 9 process, particularly prior  
16 to filing. Therefore, it is important for those parties to be  
17 able to participate in a prefiling confidential neutral  
18 evaluation process that could assist parties in reaching a  
19 settlement or otherwise lead to a pre-negotiated, consensual  
20 plan of adjustment and avoid a Chapter 9 filing.

21 Given the connection between State allocations and local  
22 budgets, the State has a role in assisting local public  
23 entities to address potential insolvency with the goal of  
24 averting bankruptcy filings where possible and providing a  
25 process designed to make the debt restructuring process in or  
26 outside of a Chapter 9 bankruptcy as cost effective and

1 efficient as possible for all participants.

2 Illinois taxpayers who rely on public safety, senior,  
3 recreational, health, library, and other public services, as  
4 well as those who own and operate businesses in our  
5 communities, deserve every reasonable and appropriate effort  
6 that State and local government can make to avoid adverse  
7 consequences of Chapter 9 bankruptcy filings, particularly  
8 where a neutral evaluation may lead to the avoidance of  
9 Chapter 9 filing by an out-of-court resolution of outstanding  
10 obligations and disputes.

11 Resolving local and State business and financial issues in  
12 a timely, fair, and cost-effective manner is an integral part  
13 of a successful government and is in the public interest. It  
14 has long been recognized that alternative dispute resolution  
15 proceedings, like a neutral evaluation, offer an economical,  
16 discreet, and expeditious way to resolve potentially  
17 devastating situations.

18 Through the neutral evaluation process, the neutral  
19 evaluator, a specially trained, neutral third party, can  
20 assist the local public entity and its creditors and  
21 stakeholders to fully explore alternatives, while allowing the  
22 interested parties to exchange information in a confidential  
23 environment with the assistance and supervision of a neutral  
24 evaluator to determine whether the entity's contractual and  
25 financial obligations can be renegotiated on a consensual  
26 basis.

1 Section 3. Definitions. As used in this Act:

2 "Chapter 9" means Chapter 9 of Title 11 of the United  
3 States Code.

4 "Creditor" means either of the following:

5 A person or entity that has a noncontingent claim  
6 against a local public entity that arose at the time of or  
7 before the commencement of the neutral evaluation process  
8 and whose claim represents at least \$5,000,000 or  
9 comprises more than 5% of the local public entity's debt  
10 or obligations, whichever is less.

11 A person or entity that would have a noncontingent  
12 claim against the local public entity upon the rejection  
13 of an executory contract or unexpired lease in a Chapter 9  
14 case and whose claim would represent at least \$5,000,000  
15 or comprises more than 5% of the local public entity's  
16 debt or obligations, whichever is less.

17 "Debtor" means a local public entity that may file for  
18 bankruptcy under Chapter 9.

19 "Good faith" means participation by a party in the neutral  
20 evaluation process with the intent to negotiate toward a  
21 resolution of the issues that are the subject of the neutral  
22 evaluation process, including the timely provision of complete  
23 and accurate information to provide the relevant parties  
24 through the neutral evaluation process with sufficient  
25 information, in a confidential manner, to negotiate the

1 readjustment of the local public entity's debt.

2 "Interested party" means a trustee, a committee of  
3 creditors, an affected creditor, an indenture trustee, a  
4 pension fund, a bondholder, a union that, under its collective  
5 bargaining agreements, has standing to initiate contract or  
6 debt restructuring negotiations with the local public entity,  
7 or a representative selected by an association of retired  
8 employees of the local public entity who receive income from  
9 the local public entity convening the neutral evaluation. A  
10 local public entity may invite holders of contingent claims to  
11 participate as interested parties in the neutral evaluation if  
12 the local public entity determines that the contingency is  
13 likely to occur and the claim may represent \$5,000,000 or  
14 comprise more than 5% of the local public entity's debt or  
15 obligations, whichever is less.

16 "Local public entity" means any county, municipality,  
17 township, special district, public authority, public agency,  
18 unit of local government, school district, or any other entity  
19 that is a political subdivision or public agency or  
20 instrumentality of the State, or that qualifies as a debtor  
21 under any other federal bankruptcy law applicable to local  
22 public entities.

23 "Local public entity representative" means the person or  
24 persons designated by the local public entity with authority  
25 to make recommendations and to attend the neutral evaluation  
26 on behalf of the governing body of the local public entity.

1 "Neutral evaluation" is a form of non-binding alternative  
2 dispute resolution.

3 Section 5. Eligibility. A local public entity in this  
4 State may file a petition and exercise powers under applicable  
5 federal bankruptcy law if either of the following apply: (i)  
6 under Section 10, a neutral evaluation process has been  
7 initiated by the local public entity and has ended, or (ii) the  
8 local public entity declares a fiscal emergency and adopts a  
9 resolution by a majority vote of the governing board under  
10 Section 15.

11 Section 10. Neutral evaluation process.

12 (a) A local public entity may initiate the neutral  
13 evaluation process if the local public entity is or likely  
14 will become unable to meet its financial obligations as and  
15 when those obligations are due or become due and owing. The  
16 local public entity shall initiate the neutral evaluation by  
17 providing notice by certified mail of a request for neutral  
18 evaluation to interested parties.

19 (b) Interested parties shall respond within 10 business  
20 days after receipt of notice of the local public entity's  
21 request for neutral evaluation.

22 (c) The local public entity and the interested parties  
23 agreeing to participate in the neutral evaluation shall,  
24 through a mutually agreed upon process, select the neutral

1 evaluator to oversee the neutral evaluation process and  
2 facilitate all discussions in an effort to resolve their  
3 disputes.

4 If the local public entity and interested parties fail to  
5 agree on a neutral evaluator within 7 days after the  
6 interested parties have responded to the notification sent by  
7 the local public entity, then the local public entity shall  
8 select 5 qualified neutral evaluators and provide their names,  
9 references, and backgrounds to the participating interested  
10 parties. Within 3 business days, a majority of participating  
11 interested parties may strike up to 4 names from the list. If a  
12 majority of participating interested parties strikes 4 names,  
13 then the remaining candidate shall be the neutral evaluator.  
14 If the majority of participating parties strikes fewer than 4  
15 names, the local public entity may choose which of the  
16 remaining candidates shall be the neutral evaluator.

17 (d) A neutral evaluator shall have experience and training  
18 in conflict resolution and alternative dispute resolution and  
19 shall meet at least one of the following qualifications:

20 (1) at least 10 years of high-level business or legal  
21 practice involving bankruptcy or service as a United  
22 States Bankruptcy Judge; or

23 (2) professional experience or training in local  
24 government finance and one or more of the following areas:  
25 local government organization, local government debt  
26 restructuring, local government finances dispute

1 resolution, Chapter 9 bankruptcy, public finance,  
2 taxation, Illinois Constitutional law, Illinois labor law,  
3 or federal labor law.

4 (e) The neutral evaluator shall be impartial, objective,  
5 independent, and free from prejudice. The neutral evaluator  
6 shall not act with partiality or prejudice based on any  
7 participant's personal characteristics, background, values or  
8 beliefs, or performance during the neutral evaluation process.

9 (f) The neutral evaluator shall avoid a conflict of  
10 interest or the appearance of a conflict of interest during  
11 the neutral evaluation process. The neutral evaluator shall  
12 make a reasonable inquiry to determine whether there are any  
13 facts that a reasonable individual would consider likely to  
14 create a potential or actual conflict of interest.  
15 Notwithstanding subsection (n) of this Section, if the neutral  
16 evaluator is informed of the existence of any facts that a  
17 reasonable individual would consider likely to create a  
18 potential or actual conflict of interest, the neutral  
19 evaluator shall disclose these facts in writing to the local  
20 public entity and all interested parties involved in the  
21 neutral evaluation. If any party to the neutral evaluation  
22 objects to the neutral evaluator, then that party shall notify  
23 all other parties to the neutral evaluation, including the  
24 neutral evaluator, within 15 days after receipt of the notice  
25 from the neutral evaluator, and the neutral evaluator shall  
26 withdraw and a new neutral evaluator shall be selected under

1 subsections (c) and (d) of this Section.

2 (g) Prior to the neutral evaluation process, the neutral  
3 evaluator shall not establish another relationship with any of  
4 the parties in a manner that would raise questions about the  
5 integrity of the neutral evaluation, except that the neutral  
6 evaluator may conduct further neutral evaluations regarding  
7 other potential local public entities that may involve some of  
8 the same or similar constituents to a prior mediation.

9 (h) The neutral evaluator shall conduct the neutral  
10 evaluation process in a manner that promotes voluntary,  
11 uncoerced decision-making in which each party makes free and  
12 informed choices regarding the process and outcome.

13 (i) The neutral evaluator shall not impose a settlement on  
14 the parties. The neutral evaluator shall use his or her best  
15 efforts to assist the parties to reach a satisfactory  
16 resolution of their disputes. Subject to the discretion of the  
17 neutral evaluator, the neutral evaluator may make oral or  
18 written recommendations for settlement or plan of readjustment  
19 to a party privately or to all parties jointly.

20 (j) The neutral evaluator shall inform the local public  
21 entity and all parties of the provisions of Chapter 9 relative  
22 to other chapters of the Bankruptcy Code. This instruction  
23 shall highlight the limited authority of United States  
24 bankruptcy judges in Chapter 9.

25 (k) The neutral evaluator may request from the parties  
26 documentation and other information that the neutral evaluator

1 believes may be helpful in assisting the parties to address  
2 the obligations between them. This documentation may include  
3 the status of funds of the local public entity that clearly  
4 distinguishes between general funds and special funds, and the  
5 proposed plan of readjustment prepared by the local public  
6 entity.

7 (l) The neutral evaluator shall provide counsel and  
8 guidance to all parties, shall not be a legal representative  
9 of any party, and shall not have a fiduciary duty to any party.

10 (m) In the event of a settlement with all interested  
11 parties, the neutral evaluator may assist the parties in  
12 negotiating a pre-petitioned, pre-agreed plan of readjustment  
13 in connection with a potential Chapter 9 filing.

14 (n) If at any time during the neutral evaluation process  
15 the local public entity and a majority of the representatives  
16 of the interested parties participating in the neutral  
17 evaluation wish to remove the neutral evaluator, the local  
18 public entity or any interested party may make a request to the  
19 other interested parties to remove the neutral evaluator. If  
20 the local public entity and the majority of the interested  
21 parties agree that the neutral evaluator should be removed,  
22 the parties shall select a new neutral evaluator.

23 (o) The local public entity and all interested parties  
24 participating in the neutral evaluation process shall  
25 negotiate in good faith. Failure to do so is grounds for ending  
26 the neutral evaluation process and satisfying the eligibility

1 requirements of item (i) of Section 5.

2 (p) The local public entity and interested parties shall  
3 provide a representative of each party to attend all neutral  
4 evaluation sessions. Each representative shall have the  
5 authority to settle and resolve disputes or shall be in a  
6 position to present any proposed settlement or plan of  
7 readjustment to the parties participating in the neutral  
8 evaluation.

9 (q) The parties shall maintain the confidentiality of the  
10 neutral evaluation process and shall not disclose statements  
11 made, information disclosed, or documents prepared or  
12 produced, during the neutral evaluation process, at the  
13 conclusion of the neutral evaluation process or during any  
14 bankruptcy proceeding unless either of the following occur:

15 (i) all persons that conduct or otherwise participate  
16 in the neutral evaluation expressly agree in writing to  
17 disclosure of the communication, document, or writing; or

18 (ii) the information is deemed necessary by a judge  
19 presiding over a bankruptcy proceeding under Chapter 9 of  
20 Title 11 of the United States Code to determine  
21 eligibility of a local public entity to proceed with a  
22 bankruptcy proceeding under subsection (c) of Section 109  
23 of Title 11 of the United States Code.

24 (r) The neutral evaluation established by this process  
25 shall not last for more than 60 days after the date the  
26 evaluator is selected, unless the local public entity or a

1 majority of participating interested parties elect to extend  
2 the process for up to 30 additional days. The neutral  
3 evaluation process shall not last for more than 90 days after  
4 the date the evaluator is selected unless the local public  
5 entity and a majority of the interested parties agree to an  
6 extension.

7 (s) The local public entity shall pay 50% of the costs of  
8 neutral evaluation, including, but not limited to, the fees of  
9 the evaluator, and the creditors shall pay the balance, unless  
10 otherwise agreed to by the parties.

11 (t) The neutral evaluation process shall end if any of the  
12 following occur:

13 (i) the parties execute a settlement agreement;

14 (ii) the parties reach an agreement or proposed plan  
15 of readjustment that requires the approval of a bankruptcy  
16 judge;

17 (iii) the neutral evaluation process has exceeded the  
18 later of (i) 60 days after the date the neutral evaluator  
19 was selected, or (ii) 90 days after the initiation of the  
20 neutral evaluation process by the local public entity  
21 under subsection (a) of Section 10, the parties have not  
22 reached an agreement, and the local public entity and a  
23 majority of the interested parties do not agree to extend  
24 the neutral evaluation process;

25 (iv) the local public entity initiated the neutral  
26 evaluation process under subsection (a) of this Section

1 and received no responses from interested parties within  
2 the time specified in subsection (b) of this Section; or

3 (v) the fiscal condition of the local public entity  
4 deteriorates to the point that a fiscal emergency is  
5 declared under Section 15 and necessitates the need to  
6 file a petition and exercise powers under applicable  
7 federal bankruptcy law.

8 Section 15. Declaration of fiscal emergency.

9 Notwithstanding any other Section of this Act, a local public  
10 entity may file a petition and exercise powers under  
11 applicable federal bankruptcy law, if the local public entity  
12 declares a fiscal emergency and adopts a resolution by a  
13 majority vote of the governing board at a noticed public  
14 hearing that includes findings that the financial state of the  
15 local public entity jeopardizes the health, safety, or  
16 well-being of the residents of the local public entity's  
17 jurisdiction or service area absent the protections of Chapter  
18 9. The resolution shall make findings that the local public  
19 entity is or will be unable to pay its obligations within the  
20 next 60 days. Prior to a declaration of fiscal emergency and  
21 adoption of a resolution, the local public entity shall place  
22 an item on the agenda of a noticed public hearing on the fiscal  
23 condition of the local public entity to take public comment.  
24 The board of supervisors of a county that intends to take  
25 action under this Section and places a notice on an agenda

1 regarding a proposed resolution to declare a fiscal emergency  
2 may require local agencies with funds invested in the county  
3 treasury to provide a 5-day notice of withdrawal before the  
4 county is required to comply with a request for withdrawal of  
5 funds by that local agency.

6 Section 20. Liabilities. This Act shall not impose any  
7 liability or responsibility, in law or equity, upon the State,  
8 any department, agency, or other entity of the State, or any  
9 officer or employee of the State, for any action taken by any  
10 local public entity under this Act, for any violation of the  
11 provisions of this Act by any local public entity, or for any  
12 failure to comply with the provisions of this Act by any local  
13 public entity. No action against the State, or any department,  
14 agency, entity of the State, or any officer or employee of the  
15 State acting in their official capacity may be maintained for  
16 any activity authorized by this Act, or for the act of a local  
17 public entity filing under Chapter 9 of Title 11 of the United  
18 States Code, including any proceeding following a local public  
19 entity's filing.

20 Section 25. Confidential Information. All records,  
21 including without limitation all reports, writings, letters,  
22 memoranda, and other documentary materials, that are prepared  
23 for or used in connection with the neutral evaluation process,  
24 the filing of a federal bankruptcy petition, or other actions

1 taken by a local public entity or a neutral evaluator under  
2 this Act are exempt from disclosure, inspection, and copying  
3 under the Freedom of Information Act.

4 Section 30. Statutory lien for bonds.

5 (a) As used in this Section:

6 "Bond" or "bonds" has the same meaning given to that term  
7 under Section 3 of the Local Government Debt Reform Act.

8 "Statutory lien" shall have the meaning given to that term  
9 under Section 101(53) of the federal Bankruptcy Code.

10 (b) All bonds, including general obligation bonds and  
11 revenue bonds issued and sold under the Local Government Debt  
12 Reform Act or related laws, including bonds issued under home  
13 rule powers, issued by a local public entity shall be secured  
14 by a statutory lien on all revenues received pursuant to the  
15 levy and collection of tax or the collection or deposit of  
16 money, funds, or revenues so pledged to the payment of the  
17 bonds. The statutory lien shall automatically attach from the  
18 time such pledge is made without further action or  
19 authorization by the governing authority of the local public  
20 entity. The statutory lien shall be valid and binding from the  
21 time the bonds are executed and delivered without any physical  
22 delivery thereof or further act required, and shall be a first  
23 priority lien, unless the bonds so otherwise provide.

24 The revenues received pursuant to the levy and collection  
25 of the taxes or the collection or deposit of revenues, money,

1 or funds so pledged shall be immediately subject to the  
2 statutory lien, and the statutory lien shall automatically  
3 attach to the revenues and be effective, binding, and  
4 enforceable against the local public entity or its successors,  
5 transferees, and creditors, and all others asserting rights  
6 therein or having claims of any kind in tort, contract, or  
7 otherwise against the local public entity, irrespective of  
8 whether those parties have notice of the lien and without the  
9 need for any physical delivery, recordation, filing, or  
10 further act. In addition, revenue bonds issued by a local  
11 public entity under the Local Government Debt Reform Act or  
12 related laws, including bonds issued by a local public entity  
13 with home rule authority, shall have all of the protection  
14 afforded to special revenue under Chapter 9, to the extent  
15 applicable.

16 Section 80. The Open Meetings Act is amended by changing  
17 Section 2 as follows:

18 (5 ILCS 120/2) (from Ch. 102, par. 42)

19 Sec. 2. Open meetings.

20 (a) Openness required. All meetings of public bodies shall  
21 be open to the public unless excepted in subsection (c) and  
22 closed in accordance with Section 2a.

23 (b) Construction of exceptions. The exceptions contained  
24 in subsection (c) are in derogation of the requirement that

1 public bodies meet in the open, and therefore, the exceptions  
2 are to be strictly construed, extending only to subjects  
3 clearly within their scope. The exceptions authorize but do  
4 not require the holding of a closed meeting to discuss a  
5 subject included within an enumerated exception.

6 (c) Exceptions. A public body may hold closed meetings to  
7 consider the following subjects:

8 (1) The appointment, employment, compensation,  
9 discipline, performance, or dismissal of specific  
10 employees, specific individuals who serve as independent  
11 contractors in a park, recreational, or educational  
12 setting, or specific volunteers of the public body or  
13 legal counsel for the public body, including hearing  
14 testimony on a complaint lodged against an employee, a  
15 specific individual who serves as an independent  
16 contractor in a park, recreational, or educational  
17 setting, or a volunteer of the public body or against  
18 legal counsel for the public body to determine its  
19 validity. However, a meeting to consider an increase in  
20 compensation to a specific employee of a public body that  
21 is subject to the Local Government Wage Increase  
22 Transparency Act may not be closed and shall be open to the  
23 public and posted and held in accordance with this Act.

24 (2) Collective negotiating matters between the public  
25 body and its employees or their representatives, or  
26 deliberations concerning salary schedules for one or more

1 classes of employees.

2 (3) The selection of a person to fill a public office,  
3 as defined in this Act, including a vacancy in a public  
4 office, when the public body is given power to appoint  
5 under law or ordinance, or the discipline, performance or  
6 removal of the occupant of a public office, when the  
7 public body is given power to remove the occupant under  
8 law or ordinance.

9 (4) Evidence or testimony presented in open hearing,  
10 or in closed hearing where specifically authorized by law,  
11 to a quasi-adjudicative body, as defined in this Act,  
12 provided that the body prepares and makes available for  
13 public inspection a written decision setting forth its  
14 determinative reasoning.

15 (4.5) Evidence or testimony presented to a school  
16 board regarding denial of admission to school events or  
17 property pursuant to Section 24-24 of the School Code,  
18 provided that the school board prepares and makes  
19 available for public inspection a written decision setting  
20 forth its determinative reasoning.

21 (5) The purchase or lease of real property for the use  
22 of the public body, including meetings held for the  
23 purpose of discussing whether a particular parcel should  
24 be acquired.

25 (6) The setting of a price for sale or lease of  
26 property owned by the public body.

1           (7) The sale or purchase of securities, investments,  
2           or investment contracts. This exception shall not apply to  
3           the investment of assets or income of funds deposited into  
4           the Illinois Prepaid Tuition Trust Fund.

5           (8) Security procedures, school building safety and  
6           security, and the use of personnel and equipment to  
7           respond to an actual, a threatened, or a reasonably  
8           potential danger to the safety of employees, students,  
9           staff, the public, or public property.

10          (9) Student disciplinary cases.

11          (10) The placement of individual students in special  
12          education programs and other matters relating to  
13          individual students.

14          (11) Litigation, when an action against, affecting or  
15          on behalf of the particular public body has been filed and  
16          is pending before a court or administrative tribunal, or  
17          when the public body finds that an action is probable or  
18          imminent, in which case the basis for the finding shall be  
19          recorded and entered into the minutes of the closed  
20          meeting.

21          (12) The establishment of reserves or settlement of  
22          claims as provided in the Local Governmental and  
23          Governmental Employees Tort Immunity Act, if otherwise the  
24          disposition of a claim or potential claim might be  
25          prejudiced, or the review or discussion of claims, loss or  
26          risk management information, records, data, advice or

1           communications from or with respect to any insurer of the  
2           public body or any intergovernmental risk management  
3           association or self insurance pool of which the public  
4           body is a member.

5           (13) Conciliation of complaints of discrimination in  
6           the sale or rental of housing, when closed meetings are  
7           authorized by the law or ordinance prescribing fair  
8           housing practices and creating a commission or  
9           administrative agency for their enforcement.

10          (14) Informant sources, the hiring or assignment of  
11          undercover personnel or equipment, or ongoing, prior or  
12          future criminal investigations, when discussed by a public  
13          body with criminal investigatory responsibilities.

14          (15) Professional ethics or performance when  
15          considered by an advisory body appointed to advise a  
16          licensing or regulatory agency on matters germane to the  
17          advisory body's field of competence.

18          (16) Self evaluation, practices and procedures or  
19          professional ethics, when meeting with a representative of  
20          a statewide association of which the public body is a  
21          member.

22          (17) The recruitment, credentialing, discipline or  
23          formal peer review of physicians or other health care  
24          professionals, or for the discussion of matters protected  
25          under the federal Patient Safety and Quality Improvement  
26          Act of 2005, and the regulations promulgated thereunder,

1 including 42 C.F.R. Part 3 (73 FR 70732), or the federal  
2 Health Insurance Portability and Accountability Act of  
3 1996, and the regulations promulgated thereunder,  
4 including 45 C.F.R. Parts 160, 162, and 164, by a  
5 hospital, or other institution providing medical care,  
6 that is operated by the public body.

7 (18) Deliberations for decisions of the Prisoner  
8 Review Board.

9 (19) Review or discussion of applications received  
10 under the Experimental Organ Transplantation Procedures  
11 Act.

12 (20) The classification and discussion of matters  
13 classified as confidential or continued confidential by  
14 the State Government Suggestion Award Board.

15 (21) Discussion of minutes of meetings lawfully closed  
16 under this Act, whether for purposes of approval by the  
17 body of the minutes or semi-annual review of the minutes  
18 as mandated by Section 2.06.

19 (22) Deliberations for decisions of the State  
20 Emergency Medical Services Disciplinary Review Board.

21 (23) The operation by a municipality of a municipal  
22 utility or the operation of a municipal power agency or  
23 municipal natural gas agency when the discussion involves  
24 (i) contracts relating to the purchase, sale, or delivery  
25 of electricity or natural gas or (ii) the results or  
26 conclusions of load forecast studies.

1           (24) Meetings of a residential health care facility  
2           resident sexual assault and death review team or the  
3           Executive Council under the Abuse Prevention Review Team  
4           Act.

5           (25) Meetings of an independent team of experts under  
6           Brian's Law.

7           (26) Meetings of a mortality review team appointed  
8           under the Department of Juvenile Justice Mortality Review  
9           Team Act.

10          (27) (Blank).

11          (28) Correspondence and records (i) that may not be  
12          disclosed under Section 11-9 of the Illinois Public Aid  
13          Code or (ii) that pertain to appeals under Section 11-8 of  
14          the Illinois Public Aid Code.

15          (29) Meetings between internal or external auditors  
16          and governmental audit committees, finance committees, and  
17          their equivalents, when the discussion involves internal  
18          control weaknesses, identification of potential fraud risk  
19          areas, known or suspected frauds, and fraud interviews  
20          conducted in accordance with generally accepted auditing  
21          standards of the United States of America.

22          (30) (Blank).

23          (31) Meetings and deliberations for decisions of the  
24          Concealed Carry Licensing Review Board under the Firearm  
25          Concealed Carry Act.

26          (32) Meetings between the Regional Transportation

1 Authority Board and its Service Boards when the discussion  
2 involves review by the Regional Transportation Authority  
3 Board of employment contracts under Section 28d of the  
4 Metropolitan Transit Authority Act and Sections 3A.18 and  
5 3B.26 of the Regional Transportation Authority Act.

6 (33) Those meetings or portions of meetings of the  
7 advisory committee and peer review subcommittee created  
8 under Section 320 of the Illinois Controlled Substances  
9 Act during which specific controlled substance prescriber,  
10 dispenser, or patient information is discussed.

11 (34) Meetings of the Tax Increment Financing Reform  
12 Task Force under Section 2505-800 of the Department of  
13 Revenue Law of the Civil Administrative Code of Illinois.

14 (35) Meetings of the group established to discuss  
15 Medicaid capitation rates under Section 5-30.8 of the  
16 Illinois Public Aid Code.

17 (36) Those deliberations or portions of deliberations  
18 for decisions of the Illinois Gaming Board in which there  
19 is discussed any of the following: (i) personal,  
20 commercial, financial, or other information obtained from  
21 any source that is privileged, proprietary, confidential,  
22 or a trade secret; or (ii) information specifically  
23 exempted from the disclosure by federal or State law.

24 (37) Deliberations for decisions of the Illinois Law  
25 Enforcement Training Standards Board, the Certification  
26 Review Panel, and the Illinois State Police Merit Board

1 regarding certification and decertification.

2 (38) Meetings of the Ad Hoc Statewide Domestic  
3 Violence Fatality Review Committee of the Illinois  
4 Criminal Justice Information Authority Board that occur in  
5 closed executive session under subsection (d) of Section  
6 35 of the Domestic Violence Fatality Review Act.

7 (39) Meetings of the regional review teams under  
8 subsection (a) of Section 75 of the Domestic Violence  
9 Fatality Review Act.

10 (40) Meetings of the Firearm Owner's Identification  
11 Card Review Board under Section 10 of the Firearm Owners  
12 Identification Card Act.

13 (41) Deliberations about action taken, or which could  
14 be taken, pursuant to the Local Government Bankruptcy  
15 Neutral Evaluation Act.

16 (d) Definitions. For purposes of this Section:

17 "Employee" means a person employed by a public body whose  
18 relationship with the public body constitutes an  
19 employer-employee relationship under the usual common law  
20 rules, and who is not an independent contractor.

21 "Public office" means a position created by or under the  
22 Constitution or laws of this State, the occupant of which is  
23 charged with the exercise of some portion of the sovereign  
24 power of this State. The term "public office" shall include  
25 members of the public body, but it shall not include  
26 organizational positions filled by members thereof, whether

1 established by law or by a public body itself, that exist to  
2 assist the body in the conduct of its business.

3 "Quasi-adjudicative body" means an administrative body  
4 charged by law or ordinance with the responsibility to conduct  
5 hearings, receive evidence or testimony and make  
6 determinations based thereon, but does not include local  
7 electoral boards when such bodies are considering petition  
8 challenges.

9 (e) Final action. No final action may be taken at a closed  
10 meeting. Final action shall be preceded by a public recital of  
11 the nature of the matter being considered and other  
12 information that will inform the public of the business being  
13 conducted.

14 (Source: P.A. 102-237, eff. 1-1-22; 102-520, eff. 8-20-21;  
15 102-558, eff. 8-20-21; 102-813, eff. 5-13-22; 103-311, eff.  
16 7-28-23; 103-626, eff. 1-1-25.)

17 Section 85. The Freedom of Information Act is amended by  
18 changing Section 7.5 as follows:

19 (5 ILCS 140/7.5)

20 Sec. 7.5. Statutory exemptions. To the extent provided for  
21 by the statutes referenced below, the following shall be  
22 exempt from inspection and copying:

23 (a) All information determined to be confidential  
24 under Section 4002 of the Technology Advancement and

1 Development Act.

2 (b) Library circulation and order records identifying  
3 library users with specific materials under the Library  
4 Records Confidentiality Act.

5 (c) Applications, related documents, and medical  
6 records received by the Experimental Organ Transplantation  
7 Procedures Board and any and all documents or other  
8 records prepared by the Experimental Organ Transplantation  
9 Procedures Board or its staff relating to applications it  
10 has received.

11 (d) Information and records held by the Department of  
12 Public Health and its authorized representatives relating  
13 to known or suspected cases of sexually transmitted  
14 infection or any information the disclosure of which is  
15 restricted under the Illinois Sexually Transmitted  
16 Infection Control Act.

17 (e) Information the disclosure of which is exempted  
18 under Section 30 of the Radon Industry Licensing Act.

19 (f) Firm performance evaluations under Section 55 of  
20 the Architectural, Engineering, and Land Surveying  
21 Qualifications Based Selection Act.

22 (g) Information the disclosure of which is restricted  
23 and exempted under Section 50 of the Illinois Prepaid  
24 Tuition Act.

25 (h) Information the disclosure of which is exempted  
26 under the State Officials and Employees Ethics Act, and

1 records of any lawfully created State or local inspector  
2 general's office that would be exempt if created or  
3 obtained by an Executive Inspector General's office under  
4 that Act.

5 (i) Information contained in a local emergency energy  
6 plan submitted to a municipality in accordance with a  
7 local emergency energy plan ordinance that is adopted  
8 under Section 11-21.5-5 of the Illinois Municipal Code.

9 (j) Information and data concerning the distribution  
10 of surcharge moneys collected and remitted by carriers  
11 under the Emergency Telephone System Act.

12 (k) Law enforcement officer identification information  
13 or driver identification information compiled by a law  
14 enforcement agency or the Department of Transportation  
15 under Section 11-212 of the Illinois Vehicle Code.

16 (l) Records and information provided to a residential  
17 health care facility resident sexual assault and death  
18 review team or the Executive Council under the Abuse  
19 Prevention Review Team Act.

20 (m) Information provided to the predatory lending  
21 database created pursuant to Article 3 of the Residential  
22 Real Property Disclosure Act, except to the extent  
23 authorized under that Article.

24 (n) Defense budgets and petitions for certification of  
25 compensation and expenses for court appointed trial  
26 counsel as provided under Sections 10 and 15 of the

1 Capital Crimes Litigation Act (repealed). This subsection  
2 (n) shall apply until the conclusion of the trial of the  
3 case, even if the prosecution chooses not to pursue the  
4 death penalty prior to trial or sentencing.

5 (o) Information that is prohibited from being  
6 disclosed under Section 4 of the Illinois Health and  
7 Hazardous Substances Registry Act.

8 (p) Security portions of system safety program plans,  
9 investigation reports, surveys, schedules, lists, data, or  
10 information compiled, collected, or prepared by or for the  
11 Department of Transportation under Sections 2705-300 and  
12 2705-616 of the Department of Transportation Law of the  
13 Civil Administrative Code of Illinois, the Regional  
14 Transportation Authority under Section 2.11 of the  
15 Regional Transportation Authority Act, or the St. Clair  
16 County Transit District under the Bi-State Transit Safety  
17 Act (repealed).

18 (q) Information prohibited from being disclosed by the  
19 Personnel Record Review Act.

20 (r) Information prohibited from being disclosed by the  
21 Illinois School Student Records Act.

22 (s) Information the disclosure of which is restricted  
23 under Section 5-108 of the Public Utilities Act.

24 (t) (Blank).

25 (u) Records and information provided to an independent  
26 team of experts under the Developmental Disability and

1 Mental Health Safety Act (also known as Brian's Law).

2 (v) Names and information of people who have applied  
3 for or received Firearm Owner's Identification Cards under  
4 the Firearm Owners Identification Card Act or applied for  
5 or received a concealed carry license under the Firearm  
6 Concealed Carry Act, unless otherwise authorized by the  
7 Firearm Concealed Carry Act; and databases under the  
8 Firearm Concealed Carry Act, records of the Concealed  
9 Carry Licensing Review Board under the Firearm Concealed  
10 Carry Act, and law enforcement agency objections under the  
11 Firearm Concealed Carry Act.

12 (v-5) Records of the Firearm Owner's Identification  
13 Card Review Board that are exempted from disclosure under  
14 Section 10 of the Firearm Owners Identification Card Act.

15 (w) Personally identifiable information which is  
16 exempted from disclosure under subsection (g) of Section  
17 19.1 of the Toll Highway Act.

18 (x) Information which is exempted from disclosure  
19 under Section 5-1014.3 of the Counties Code or Section  
20 8-11-21 of the Illinois Municipal Code.

21 (y) Confidential information under the Adult  
22 Protective Services Act and its predecessor enabling  
23 statute, the Elder Abuse and Neglect Act, including  
24 information about the identity and administrative finding  
25 against any caregiver of a verified and substantiated  
26 decision of abuse, neglect, or financial exploitation of

1 an eligible adult maintained in the Registry established  
2 under Section 7.5 of the Adult Protective Services Act.

3 (z) Records and information provided to a fatality  
4 review team or the Illinois Fatality Review Team Advisory  
5 Council under Section 15 of the Adult Protective Services  
6 Act.

7 (aa) Information which is exempted from disclosure  
8 under Section 2.37 of the Wildlife Code.

9 (bb) Information which is or was prohibited from  
10 disclosure by the Juvenile Court Act of 1987.

11 (cc) Recordings made under the Law Enforcement  
12 Officer-Worn Body Camera Act, except to the extent  
13 authorized under that Act.

14 (dd) Information that is prohibited from being  
15 disclosed under Section 45 of the Condominium and Common  
16 Interest Community Ombudsperson Act.

17 (ee) Information that is exempted from disclosure  
18 under Section 30.1 of the Pharmacy Practice Act.

19 (ff) Information that is exempted from disclosure  
20 under the Revised Uniform Unclaimed Property Act.

21 (gg) Information that is prohibited from being  
22 disclosed under Section 7-603.5 of the Illinois Vehicle  
23 Code.

24 (hh) Records that are exempt from disclosure under  
25 Section 1A-16.7 of the Election Code.

26 (ii) Information which is exempted from disclosure

1 under Section 2505-800 of the Department of Revenue Law of  
2 the Civil Administrative Code of Illinois.

3 (jj) Information and reports that are required to be  
4 submitted to the Department of Labor by registering day  
5 and temporary labor service agencies but are exempt from  
6 disclosure under subsection (a-1) of Section 45 of the Day  
7 and Temporary Labor Services Act.

8 (kk) Information prohibited from disclosure under the  
9 Seizure and Forfeiture Reporting Act.

10 (ll) Information the disclosure of which is restricted  
11 and exempted under Section 5-30.8 of the Illinois Public  
12 Aid Code.

13 (mm) Records that are exempt from disclosure under  
14 Section 4.2 of the Crime Victims Compensation Act.

15 (nn) Information that is exempt from disclosure under  
16 Section 70 of the Higher Education Student Assistance Act.

17 (oo) Communications, notes, records, and reports  
18 arising out of a peer support counseling session  
19 prohibited from disclosure under the First Responders  
20 Suicide Prevention Act.

21 (pp) Names and all identifying information relating to  
22 an employee of an emergency services provider or law  
23 enforcement agency under the First Responders Suicide  
24 Prevention Act.

25 (qq) Information and records held by the Department of  
26 Public Health and its authorized representatives collected

1 under the Reproductive Health Act.

2 (rr) Information that is exempt from disclosure under  
3 the Cannabis Regulation and Tax Act.

4 (ss) Data reported by an employer to the Department of  
5 Human Rights pursuant to Section 2-108 of the Illinois  
6 Human Rights Act.

7 (tt) Recordings made under the Children's Advocacy  
8 Center Act, except to the extent authorized under that  
9 Act.

10 (uu) Information that is exempt from disclosure under  
11 Section 50 of the Sexual Assault Evidence Submission Act.

12 (vv) Information that is exempt from disclosure under  
13 subsections (f) and (j) of Section 5-36 of the Illinois  
14 Public Aid Code.

15 (ww) Information that is exempt from disclosure under  
16 Section 16.8 of the State Treasurer Act.

17 (xx) Information that is exempt from disclosure or  
18 information that shall not be made public under the  
19 Illinois Insurance Code.

20 (yy) Information prohibited from being disclosed under  
21 the Illinois Educational Labor Relations Act.

22 (zz) Information prohibited from being disclosed under  
23 the Illinois Public Labor Relations Act.

24 (aaa) Information prohibited from being disclosed  
25 under Section 1-167 of the Illinois Pension Code.

26 (bbb) Information that is prohibited from disclosure

1 by the Illinois Police Training Act and the Illinois State  
2 Police Act.

3 (ccc) Records exempt from disclosure under Section  
4 2605-304 of the Illinois State Police Law of the Civil  
5 Administrative Code of Illinois.

6 (ddd) Information prohibited from being disclosed  
7 under Section 35 of the Address Confidentiality for  
8 Victims of Domestic Violence, Sexual Assault, Human  
9 Trafficking, or Stalking Act.

10 (eee) Information prohibited from being disclosed  
11 under subsection (b) of Section 75 of the Domestic  
12 Violence Fatality Review Act.

13 (fff) Images from cameras under the Expressway Camera  
14 Act. This subsection (fff) is inoperative on and after  
15 July 1, 2025.

16 (ggg) Information prohibited from disclosure under  
17 paragraph (3) of subsection (a) of Section 14 of the Nurse  
18 Agency Licensing Act.

19 (hhh) Information submitted to the Illinois State  
20 Police in an affidavit or application for an assault  
21 weapon endorsement, assault weapon attachment endorsement,  
22 .50 caliber rifle endorsement, or .50 caliber cartridge  
23 endorsement under the Firearm Owners Identification Card  
24 Act.

25 (iii) Data exempt from disclosure under Section 50 of  
26 the School Safety Drill Act.

1 (jjj) Information exempt from disclosure under Section  
2 30 of the Insurance Data Security Law.

3 (kkk) Confidential business information prohibited  
4 from disclosure under Section 45 of the Paint Stewardship  
5 Act.

6 (lll) Data exempt from disclosure under Section  
7 2-3.196 of the School Code.

8 (mmm) Information prohibited from being disclosed  
9 under subsection (e) of Section 1-129 of the Illinois  
10 Power Agency Act.

11 (nnn) Materials received by the Department of Commerce  
12 and Economic Opportunity that are confidential under the  
13 Music and Musicians Tax Credit and Jobs Act.

14 (ooo) ~~(nnn)~~ Data or information provided pursuant to  
15 Section 20 of the Statewide Recycling Needs and Assessment  
16 Act.

17 (ppp) ~~(nnn)~~ Information that is exempt from disclosure  
18 under Section 28-11 of the Lawful Health Care Activity  
19 Act.

20 (qqq) ~~(nnn)~~ Information that is exempt from disclosure  
21 under Section 7-101 of the Illinois Human Rights Act.

22 (rrr) ~~(mmm)~~ Information prohibited from being  
23 disclosed under Section 4-2 of the Uniform Money  
24 Transmission Modernization Act.

25 (sss) ~~(nnn)~~ Information exempt from disclosure under  
26 Section 40 of the Student-Athlete Endorsement Rights Act.

1           (ttt) All records and information prohibited from  
2           being disclosed, inspected, or copied by the Local  
3           Government Bankruptcy Neutral Evaluation Act.

4           (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;  
5           102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.  
6           8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;  
7           102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.  
8           6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,  
9           eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23;  
10          103-580, eff. 12-8-23; 103-592, eff. 6-7-24; 103-605, eff.  
11          7-1-24; 103-636, eff. 7-1-24; 103-724, eff. 1-1-25; 103-786,  
12          eff. 8-7-24; 103-859, eff. 8-9-24; 103-991, eff. 8-9-24;  
13          103-1049, eff. 8-9-24; revised 11-26-24.)

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