



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4055

Introduced 2/28/2005, by Rep. Jay C. Hoffman

SYNOPSIS AS INTRODUCED:

50 ILCS 705/9

from Ch. 85, par. 509

50 ILCS 705/9.2 new

Amends the Illinois Police Training Act. Provides that, subject to appropriation, 40% of the amount deposited into the Traffic and Criminal Conviction Surcharge Fund is allocated to the Department of State Police and 60% of the Fund is allocated to the Illinois Law Enforcement Training Standards Board. Provides that the Department of State Police may use such moneys for ordinary, contingent, and capital development expenses; grants to fund community policing; the Illinois State Police Academy; and the training of State or local governmental employees. Provides that the Board may use such moneys for: supplemental expenditures under the Law Enforcement Officer's Training Act; grants in-aid to State and local law-enforcement agencies; law enforcement research and technical assistance; training programs; reform programs; and enhanced crime detection and prevention. Provides that the Secretary of Financial and Professional Regulation shall collect an annual Law Enforcement Revitalization and Public Protection Surcharge from insurance companies classified to do business in the State under Classes 2 and 3 of Section 4 of the Illinois Insurance Code. The surcharge is 1% of the premiums written and of the credit receipts for premiums written in Illinois during calendar year 2006 and thereafter. From July 1, 2005 through December 31, 2005, the surcharge is 2%. A company shall remit the surcharge based on its Property/Casualty Quarterly report to NAIC. An entity that refuses or neglects to pay the surcharge when due is liable for a penalty of 10% of the deficiency for each month there is an unpaid balance. The Department may revoke the license of any entity that violates these requirements and enforce collections by legal action. To recoup collection costs, the Department receives 2% of all moneys collected. Provides that this 2% is transferred to the Illinois Insurance Financial Regulation Fund. Effective July 1, 2005.

LRB094 09440 AJ0 42453 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Police Training Act is amended by
5 changing Section 9 and adding Section 9.2 as follows:

6 (50 ILCS 705/9) (from Ch. 85, par. 509)

7 Sec. 9. A special fund is hereby established in the State
8 Treasury to be known as "The Traffic and Criminal Conviction
9 Surcharge Fund" and shall be financed as provided in Sections
10 ~~Section~~ 9.1 and 9.2 of this Act and Section 5-9-1 of the
11 "Unified Code of Corrections", unless the fines, costs or
12 additional amounts imposed are subject to disbursement by the
13 circuit clerk under Section 27.5 of the Clerks of Courts Act.
14 Moneys in this Fund shall be expended as follows:

15 (1) A portion of the total amount deposited in the Fund
16 may be used, as appropriated by the General Assembly, for
17 the ordinary and contingent expenses and capital
18 development expenses of the Illinois Law Enforcement
19 Training Standards Board;

20 (2) A portion of the total amount deposited in the Fund
21 shall be appropriated for the reimbursement of local
22 governmental agencies participating in training programs
23 certified by the Board, in an amount equaling 1/2 of the
24 total sum paid by such agencies during the State's previous
25 fiscal year for mandated training for probationary police
26 officers or probationary county corrections officers and
27 for optional advanced and specialized law enforcement or
28 county corrections training. These reimbursements may
29 include the costs for tuition at training schools, the
30 salaries of trainees while in schools, and the necessary
31 travel and room and board expenses for each trainee. If the
32 appropriations under this paragraph (2) are not sufficient

1 to fully reimburse the participating local governmental
2 agencies, the available funds shall be apportioned among
3 such agencies, with priority first given to repayment of
4 the costs of mandatory training given to law enforcement
5 officer or county corrections officer recruits, then to
6 repayment of costs of advanced or specialized training for
7 permanent police officers or permanent county corrections
8 officers;

9 (3) A portion of the total amount deposited in the Fund
10 may be used to fund the "Intergovernmental Law Enforcement
11 Officer's In-Service Training Act", veto overridden
12 October 29, 1981, as now or hereafter amended, at a rate
13 and method to be determined by the board;

14 (4) A portion of the Fund also may be used by the
15 Illinois Department of State Police for its ordinary and
16 contingent expenses and capital development expenses,
17 grants to fund community policing, the Illinois State
18 Police Academy, and expenses incurred in the training of
19 employees from any State, county or municipal agency whose
20 function includes enforcement of criminal or traffic law;

21 (5) A portion of the Fund may be used by the Board to
22 fund grant-in-aid programs and services for the training of
23 employees from any county or municipal agency whose
24 functions include corrections or the enforcement of
25 criminal or traffic law. Of the amount going to the Board,
26 a portion of the total amount deposited into the Fund in
27 accordance with Section 9.2 may be used to supplement the
28 Intergovernmental Law Enforcement Officer's In-Service
29 Training Act at a rate and method to be determined by the
30 Board. In addition, the Board may, subject to
31 appropriation, fund grants-in-aid programs and services,
32 including, but not limited to, (i) grants available to
33 State and local law enforcement agencies, (ii) law
34 enforcement research and technical assistance initiatives,
35 (iii) law enforcement technology and equipment
36 enhancements, (iv) executive, in-service, and advanced

1 training programs, and (v) other prioritized programs to
2 reform, renew, and enhance law enforcement operations and
3 practices or to enhance the detection and prevention of
4 crime within the State of Illinois.

5 All payments from The Traffic and Criminal Conviction
6 Surcharge Fund shall be made each year from moneys appropriated
7 for the purposes specified in this Section. The amount
8 available from the Traffic and Criminal Conviction Surcharge
9 Fund for appropriation to the Board shall be 60% of annual
10 receipts in the Fund and the amount available for appropriation
11 to the Department of State Police shall be 40% of annual
12 receipts in the Fund. No more than 50% of any appropriation
13 under this Act shall be spent in any city having a population
14 of more than 500,000. The State Comptroller and the State
15 Treasurer shall from time to time, at the direction of the
16 Governor, transfer from The Traffic and Criminal Conviction
17 Surcharge Fund to the General Revenue Fund in the State
18 Treasury such amounts as the Governor determines are in excess
19 of the amounts required to meet the obligations of The Traffic
20 and Criminal Conviction Surcharge Fund.

21 (Source: P.A. 88-586, eff. 8-12-94; 89-464, eff. 6-13-96.)

22 (50 ILCS 705/9.2 new)

23 Sec. 9.2. Law Enforcement Revitalization and Public
24 Protection Surcharge.

25 (a) The Secretary of Financial and Professional Regulation
26 shall collect the Law Enforcement Revitalization and Public
27 Protection Surcharge from every insurance company classified
28 to transact business in this State pursuant to paragraphs (b),
29 (c), (e), (f), (g), (h), (i), or (j) of Class 2 and pursuant to
30 Class 3 of Section 4 of the Illinois Insurance Code. For
31 premiums written during calendar year 2006, the surcharge shall
32 be in an amount equal to 1% of the premium on the following
33 lines of business: multiple peril (non-liability portion),
34 commercial multiple peril (liability portion), ocean marine,
35 financial guaranty, products liability, commercial auto

1 no-fault and other commercial auto liability, commercial
2 physical damage, fidelity, surety, boiler and machinery, and
3 credit receipts of the insurance company from business done in
4 the State of Illinois during the preceding year, and shall be
5 used in accordance with items (6), (7), and (8) of Section 9 of
6 this Act and shall be collected on July 31, 2007 and annually
7 thereafter.

8 (b) For premiums written on or after July 1, 2005 and
9 before January 1, 2006, the surcharge shall be in an amount
10 equal to 2% of the premium written on the following lines of
11 business: multiple peril (non-liability portion), commercial
12 multiple peril (liability portion), ocean marine, financial
13 guaranty, products liability, commercial auto no-fault and
14 other commercial auto liability, commercial physical damage,
15 fidelity, surety, boiler and machinery, and credit receipts of
16 the insurance company from business done in the State of
17 Illinois during the preceding year, and shall be used in
18 accordance with items (6), (7), and (8) of Section 9 of this
19 Act. Premiums written after July 1, 2005 shall be payable in 2
20 installments. The surcharge due on January 15, 2006 is based on
21 the premiums written from July through September 2005. The
22 second installment is due July 15, 2006 based on the premiums
23 written from October through December of 2005. For purposes of
24 this subsection (b), the company shall remit the surcharge
25 based on the Property/Casualty Quarterly Statement Blank, as
26 filed with the National Association of Insurance
27 Commissioners.

28 (c) The Department of Financial and Professional
29 Regulation may revoke the license of any company, association,
30 co-partnership, or aggregation of individuals licensed by the
31 Department to do business in the State of Illinois if that
32 entity is found to be in violation of the requirements of this
33 Section 9.2.

34 (d) If a company fails to pay the full amount of a Law
35 Enforcement Revitalization and Public Protection Surcharge of
36 \$100 or more due under this Section, 10% of the deficiency

1 shall be added to the amount due as a penalty for each month or
2 part of a month that the surcharge remains unpaid.

3 (e) The Department of Financial and Professional
4 Regulation may enforce the collection of any delinquent payment
5 or penalty by legal action or in any other manner by which the
6 collection of debts due the State of Illinois may be enforced
7 under the laws of this State.

8 (f) To recoup the collection costs of the Department of
9 Financial and Professional Regulation, each year 2% of all
10 moneys collected under this Section shall be transferred to the
11 Insurance Financial Regulation Fund.

12 Section 99. Effective date. This Act takes effect July 1,
13 2005.