SENATE JOURNAL

STATE OF ILLINOIS

NINETY-FIFTH GENERAL ASSEMBLY

164TH LEGISLATIVE DAY

THURSDAY, MAY 29, 2008

11:50 O'CLOCK P.M.

NO. 164
[May 29, 2008]

SENATE
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The Senate met pursuant to adjournment.
Senator Iris Y. Martinez, Chicago, Illinois, presiding.
Prayer by Pastor Jeff Smith, Modesto Christian Church, Modesto, Illinois.
Senator Maloney led the Senate in the Pledge of Allegiance.

The Journal of Wednesday, May 28, 2008, was being read when on motion of Senator Hunter, further reading of same was dispensed with, and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

REPORTS RECEIVED

The Secretary placed before the Senate the following reports:

2007 Annual Report of the Illinois Tollway, submitted by the Illinois State Toll Highway Authority.

Annual Report on the Good Samaritan Energy Trust Fund, May 2008, submitted by the Department of Healthcare and Family Services.

The foregoing reports were ordered received and placed on file in the Secretary's Office.

LEGISLATIVE MEASURES FILED

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Senate Floor Amendment No. 3 to Senate Bill 790
Senate Floor Amendment No. 2 to Senate Bill 874
Senate Floor Amendment No. 7 to Senate Bill 1029
Senate Floor Amendment No. 1 to Senate Bill 1013
Senate Floor Amendment No. 1 to Senate Bill 2708

The following Floor amendments to the House Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Senate Floor Amendment No. 1 to House Bill 1496
Senate Floor Amendment No. 2 to House Bill 4449
Senate Floor Amendment No. 2 to House Bill 5338
Senate Floor Amendment No. 1 to House Bill 5585

The following Floor amendment to the House Resolution listed below has been filed with the Secretary and referred to the Committee on Rules:

Senate Floor Amendment No. 1 to House Joint Resolution 49

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 740

Offered by Senator Silverstein and all Senators:
Mourns the death of Felicia Munn Galas Brenner.

SENATE RESOLUTION NO. 741

Offered by Senators Hunter-Clayborne-Bomke and all Senators:

Mourns the death of Georgia Ann Pillow Rountree of Springfield.

SENATE RESOLUTION NO. 742

Offered by Senator Haine and all Senators:
Mourns the death of Joseph Nathaniel Berry of Alton.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator Harmon offered the following Senate Joint Resolution, which was referred to the Committee on Rules:

SENATE JOINT RESOLUTION NO. 104

WHEREAS, A substantial and growing percentage of the adult citizens of Illinois are vulnerable to abuse, neglect, exploitation or victimization as a result of age, disability, status, or health condition; and

WHEREAS, Children of Illinois are also vulnerable to abuse, neglect, exploitation or victimization as a result of disability, status or health condition; and

WHEREAS, Under various Illinois laws, responsibility for addressing abuse, neglect, exploitation and victimization of various segments of the vulnerable populations, and for affording them protection, is dispersed among several agencies including, but not limited to, the Illinois Departments of Public Health (DPH), Aging (DOA), Human Services (DHS), Children and Family Services (DCFS) and others; and

WHEREAS, These agencies have responsibility for licensure and regulation and/or for investigating abuse, neglect and/or exploitation of different population groups in different settings; and

WHEREAS, The settings in which care may be provided to such vulnerable persons ranges widely and includes, but is not limited to, hospitals, nursing homes, mental health facilities, therapeutic day schools, community placements, supportive housing, non-residential programs, other institutional settings, domestic living situations, and other non-institutional settings in the State of Illinois; and

WHEREAS, Licensing, protective, investigative and reporting schemes in Illinois are fragmented, which results in varying standards of protection, gaps in protection and unequal coverage for different population groups, and a patchwork of requirements (and in some cases an absence of requirements) applicable to various settings in which care for individuals in these groups might be provided; and

WHEREAS, This fragmentation has resulted in disparity of treatment and widespread confusion on the part of the persons being served, victims of abuse and neglect, the general public, caregivers, providers, medical and other staff, and others who might regulate, report, investigate or otherwise deal with abuse, neglect, exploitation or victimization of members of these groups or provide care for members of these groups; and

WHEREAS, The incidences of disparate treatment, of gaps in coverage, of inefficient or ineffective reporting schemes, and of abuse, neglect, exploitation and/or victimization of members of vulnerable population groups have been noted by Equip for Equality, the organization designated to implement the federal Protection and Advocacy system for people with disabilities in Illinois, and other incidences have also been noted by the Guardianship and Advocacy Commission, the Department of Public Health, members of the General Assembly, and others; and

WHEREAS, Equip for Equality has detailed many of the disparities and inefficiencies in a public report entitled "Ensuring the Safety of Children and Adults with Disabilities: Filling the Gaps in Illinois' System that Investigates Allegations of Abuse and Neglect" (2008), together with recommendations for change; and

WHEREAS, Best practices across the nation point toward a unified state scheme for licensure,

protection, investigation, reporting, and sanctioning abuse, neglect, exploitation and/or victimization of vulnerable populations; and

WHEREAS, The State of Illinois, as a matter of public policy, should afford its citizens generally, and in particular its most vulnerable citizens, the most effective and efficient means of protection and care; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that the Work Group on the Care and Protection of Adults and Children is hereby created, to study and recommend to the General Assembly how Illinois' systems of regulating, licensing, investigating and reporting the treatment and care of such vulnerable adults and children, and of investigating and reporting and otherwise addressing the abuse, neglect, exploitation and/or victimization of adults and children, can be changed to provide a unified, comprehensive, cohesive, and more effective and efficient system that affords the maximum protection for the safety and well-being of vulnerable persons of all ages in all settings of care and/or support; and be it further

RESOLVED, That the Work Group shall consist of 25 members, which shall include: at least one member (or designee) each from the Office of the Attorney General, the Departments of Human Services, Children and Family Services, Aging, State Police, and Public Health, the Office of the Inspector General of DHS, and the Guardianship and Advocacy Commission; at least one member (or designee) from Equip for Equality; and 4 members appointed by the President of the Senate, the Minority Leader of the Senate, the Speaker of the House, and the Minority Leader of the House, with one appointment by each of those leaders from relevant professional associations representing care and support givers, disability and health care advocacy groups, local law enforcement agencies, and the general public; and be it further

RESOLVED, That members of the Work Group not representing State agencies or professional associations may be reimbursed for expenses related to their participation; and be it further

RESOLVED, That the Work Group shall select a chair, and that the State agencies represented on the Work Group shall work cooperatively to provide administrative support, meeting space, research and other necessary assistance for the Work Group, and that the Department of Public Health shall be the primary agency responsible for such support; and be it further

RESOLVED, That the Work Group may conduct public hearings and engage in such other information gathering measures as it deems necessary or desirable; and be it further

RESOLVED, That the Work Group shall develop and report its findings and recommendations, including possible funding sources necessary to implement any recommendations, to the House of Representatives in a final report which shall be filed on or before May 31, 2009.

REPORT FROM STANDING COMMITTEE

Senator Trotter, Chairperson of the Committee on Appropriations I, to which was referred **House Bills Numbered 4215, 5151, 5215, 5350 and 5701,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

MESSAGES FROM THE HOUSE

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 100

WHEREAS, Several recent economic and academic studies have demonstrated a growing skills gap among workers in the nation; and

WHEREAS, These studies have demonstrated that the greatest disparity in skills exists among the nation's traditionally underrepresented minority populations, specifically African Americans, Latinos, and Native Americans; and

WHEREAS, A logical and efficient manner of addressing this skill gap is through the provision of post-secondary education; and

WHEREAS, Illinois needs to improve college access for all of its citizens in order to address the skill gap, provide a cadre of more qualified and competent workers for Illinois businesses, and improve the State economy; and

WHEREAS, Traditionally underrepresented populations, specifically African Americans, Latinos, and Native Americans, make up an increasingly higher percentage of the State's population, and thus will be called upon to make up an increasingly higher percentage of the State's workforce; and

WHEREAS, Traditionally underrepresented populations, specifically African Americans, Latinos, and Native Americans, make up a disproportionately lower percentage of those students attending colleges and universities in Illinois as compared to their overall Illinois population; and

WHEREAS, It has been demonstrated that traditionally underrepresented student populations are more successful in their degree attainment when they are taught and supported by faculty and staff that includes those of similar ethnic and cultural backgrounds; and

WHEREAS, Traditionally underrepresented populations, specifically African Americans, Latinos, and Native Americans, make up a disproportionately lower percentage of the faculty and staff at colleges and universities in Illinois as compared to their overall Illinois population; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that a bi-partisan task force on the status of underrepresented minorities in higher education is commissioned to evaluate the status of traditionally underrepresented populations, specifically African Americans, Latinos, and Native Americans, in this State's public and private institutions of higher education; and be it further

RESOLVED, That membership on this task force include 2 Republican and 2 Democrat members of the House of Representatives, appointed by the Speaker of the House; 2 Republican and 2 Democrat members of the Senate, appointed by the President of the Senate; the Chairperson, or his or her designee, of the State Board of Education, the Executive Director, or his or her designee, of the Board of Higher Education, and the Executive Director, or his or her designee, of the Illinois Student Assistance Commission; and the head, or his or her designee, of a group representing independent Illinois colleges and universities, the head, or his or her designee, of a group representing black concerns in higher education in Illinois, the head, or his or her designee, of a group representing Latinos and higher education in Illinois, and the head, or his or her designee, of a group representing the interests of community colleges in Illinois, each appointed jointly by the Speaker of the House and President of the Senate; and be it further

RESOLVED, That this task force assess accessibility of institutions of higher education in Illinois for those in the above-stated Illinois populations who want to enroll as students; and be it further

RESOLVED, That the task force assess the representation of these populations in all job categories, including faculty, staff, and civil service, at institutions of higher education in Illinois; and be it further

RESOLVED, That the task force assess issues of campus climate that might affect the success of

students and the retention of faculty and staff at institutions of higher education in Illinois; and be it further

RESOLVED, That the task force pay particular attention during its assessment of those college and university programs that target areas of the most drastic skills disparity, as identified by previously published economic and academic studies; and be it further

RESOLVED, That in order to make these assessments, the task force shall receive assistance from the Board of Higher Education and shall hold a series of regional public hearings on college and university campuses across the State; and be it further

RESOLVED, That this task force shall file a report with the General Assembly, the Office of the Governor, the State Board of Education, and the Board of Higher Education upon completion of its assessments, and that this report shall include any findings and recommendations for further legislative action that are generated as a result of the task force's work; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the the Chairperson of the State Board of Education, the Executive Director of the Board of Higher Education, and the Executive Director of the Illinois Student Assistance Commission.

Adopted by the House, May 22, 2008.

MARK MAHONEY, Clerk of the House

The foregoing message from the House of Representatives reporting House Joint Resolution No. 100 was referred to the Committee on Rules.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1879

A bill for AN ACT concerning regulation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 3 to SENATE BILL NO. 1879

Passed the House, as amended, May 28, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 3 TO SENATE BILL 1879

AMENDMENT NO. _3__. Amend Senate Bill 1879 by replacing everything after the enacting clause with the following:

"Section 5. The Code of Civil Procedure is amended by changing Section 15-1510 and by adding Sections 15-1504.5 and 15-1505.5 as follows:

(735 ILCS 5/15-1504.5 new)

Sec. 15-1504.5. Homeowner notice to be attached to summons. For all residential foreclosure actions filed, the plaintiff must attach a Homeowner Notice to the summons. The Homeowner Notice must be in at least 12 point type and in English and Spanish. The Spanish translation shall be prepared by the Attorney General and posted on the Attorney General's website. A notice that includes the Attorney General's Spanish translation in substantially similar form shall be deemed to comply with the Spanish notice requirement in this Section. The Notice must be in substantially the following form:

IMPORTANT INFORMATION FOR HOMEOWNERS IN FORECLOSURE

1. POSSESSION: The lawful occupants of a home have the right to live in the home until a judge enters an order for possession.

2. OWNERSHIP: You continue to own your home until the court rules otherwise.

3. REINSTATEMENT: As the homeowner you have the right to bring the mortgage current within 90 days after you receive the summons.

4. REDEMPTION: As the homeowner you have the right to sell your home, refinance, or pay off the loan during the redemption period.

5. SURPLUS: As the homeowner you have the right to petition the court for any excess money that results from a foreclosure sale of your home.

6. WORKOUT OPTIONS: The mortgage company does not want to foreclose on your home if there is any way to avoid it. Call your mortgage company [insert name of the homeowner's current mortgage servicer in bold and 14 point type] or its attorneys to find out the alternatives to foreclosure.

7. PAYOFF AMOUNT: You have the right to obtain a written statement of the amount necessary to pay off your loan. Your mortgage company (identified above) must provide you this statement within 10 business days of receiving your request, provided that your request is in writing and includes your name, the address of the property, and the mortgage account or loan number. Your first payoff statement will be free.

8. GET ADVICE: This information is not exhaustive and does not replace the advice of a professional. You may have other options. Get professional advice from a lawyer or certified housing counselor about your rights and options to avoid foreclosure.

9. LAWYER: If you do not have a lawyer, you may be able to find assistance by contacting the Illinois State Bar Association or a legal aid organization that provides free legal assistance.

10. PROCEED WITH CAUTION: You may be contacted by people offering to help you avoid foreclosure. Before entering into any transaction with persons offering to help you, please contact a lawyer, government official, or housing counselor for advice.

(735 ILCS 5/15-1505.5 new)

Sec. 15-1505.5. Payoff demands.

(a) In a foreclosure action subject to this Article, on the written demand of a mortgagor or the mortgagor's authorized agent (which shall include the mortgagor's name, the mortgaged property's address, and the mortgage account or loan number), a mortgagee or the mortgagee's authorized agent shall prepare and deliver an accurate statement of the total outstanding balance of the mortgagor's obligation that would be required to satisfy the obligation in full as of the date of preparation ("payoff demand statement") to the mortgagor or the mortgagor's authorized agent who has requested it within 10 business days after receipt of the demand. For purposes of this Section, a payoff demand statement is accurate if prepared in good faith based on the records of the mortgagee or the mortgagee's agent.

(b) The payoff demand statement shall include the following:

(1) the information necessary to calculate the payoff amount on a per diem basis for the lesser of a period of 30 days or until the date scheduled for judicial sale;

(2) estimated charges (stated as such) that the mortgagee reasonably believes may be incurred within 30 days from the date of preparation of the payoff demand statement; and

(3) the loan number for the obligation to be paid, the address of the mortgagee, the telephone number of the mortgagee and, if a banking organization or corporation, the name of the department, if applicable, and its telephone number and facsimile phone number.

(c) A mortgagee or mortgagee's agent who willfully fails to prepare and deliver an accurate payoff demand statement within 10 business days after receipt of a written demand is liable to the mortgagor for actual damages sustained for failure to deliver the statement. The mortgagee or mortgagee's agent is liable to the mortgagor for $500 if no actual damages are sustained. For purposes of this subsection, "willfully" means a failure to comply with this Section without just cause or excuse or mitigating circumstances.

(d) The mortgagor must petition the judge within the foreclosure action for the award of any damages pursuant to this Section, which award shall be determined by the judge.

(e) Unless the payoff demand statement provides otherwise, the statement is deemed to apply only to the unpaid balance of the single obligation that is named in the demand and that is secured by the mortgage or deed of trust identified in the payoff demand statement.

(f) The demand for and preparation and delivery of a payoff demand statement pursuant to this Section does not change any date or time period that is prescribed in the note or that is otherwise provided by law. Failure to comply with any provision of this Section does not change any of the rights of the parties as set forth in the note, mortgage, or applicable law.

(g) The mortgagee or mortgagee's agent shall furnish the first payoff demand statement at no cost to the mortgagor.

(h) For the purposes of this Section, unless the context otherwise requires, "deliver" or "delivery" means depositing or causing to be deposited into the United States mail an envelope with postage

prepaid that contains a copy of the documents to be delivered and that is addressed to the person whose name and address are provided in the payoff demand. "Delivery" may also include transmitting those documents by telephone facsimile to the person or electronically if the payoff demand specifically requests and authorizes that the documents be transmitted in electronic form.

(i) The mortgagee or mortgagee's agent is not required to comply with the payoff demand statement procedure set forth in this Section when responding to a notice of intent to redeem issued under Section 15-1603(e).

(735 ILCS 5/15-1510) (from Ch. 110, par. 15-1510)

Sec. 15-1510. Attorney's Fees and Costs ~~by Written Agreement~~.

(a) The court may award reasonable attorney's fees and costs to the defendant who prevails in a motion, an affirmative defense or counterclaim, or in the foreclosure action. A defendant who exercises the defendant's right of reinstatement or redemption shall not be considered a prevailing party for purposes of this Section. Nothing in this subsection shall abrogate contractual terms in the mortgage or other written agreement between the mortgagor and the mortgagee or rights as otherwise provided in this Article which allow the mortgagee to recover attorney's fees and costs under subsection (b).

(b) Attorneys' fees and other costs incurred in connection with the preparation, filing or prosecution of the foreclosure suit shall be recoverable in a foreclosure only to the extent specifically set forth in the mortgage or other written agreement between the mortgagor and the mortgagee or as otherwise provided in this Article.

(Source: P.A. 86-974.)

Section 10. The Illinois Human Rights Act is amended by changing Section 10-104 as follows:

(775 ILCS 5/10-104)

Sec. 10-104. Circuit Court Actions by the Illinois Attorney General.

(A) Standing, venue, limitations on actions, preliminary investigations, notice, and Assurance of Voluntary Compliance.

(1) Whenever the Illinois Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern and practice of discrimination prohibited by this Act, the Illinois Attorney General may commence a civil action in the name of the People of the State, as parens patriae on behalf of persons within the State to enforce the provisions of this Act in any appropriate circuit court. Venue for this civil action shall be determined under Section 8-111(B)(6). Such actions shall be commenced no later than 2 years after the occurrence or the termination of an alleged civil rights violation or the breach of a conciliation agreement or Assurance of Voluntary Compliance entered into under this Act, whichever occurs last, to obtain relief with respect to the alleged civil rights violation or breach.

(2) Prior to initiating a civil action, the Attorney General shall conduct a preliminary investigation to determine whether there is reasonable cause to believe that any person or group of persons is engaged in a pattern and practice of discrimination declared unlawful by this Act and whether the dispute can be resolved without litigation. In conducting this investigation, the Attorney General may:

(a) require the individual or entity to file a statement or report in writing under oath or otherwise, as to all information the Attorney General may consider necessary;

(b) examine under oath any person alleged to have participated in or with knowledge of the alleged pattern and practice violation; or

(c) issue subpoenas or conduct hearings in aid of any investigation.

(3) Service by the Attorney General of any notice requiring a person to file a statement or report, or of a subpoena upon any person, shall be made:

(a) personally by delivery of a duly executed copy thereof to the person to be served or, if a person is not a natural person, in the manner provided in the Code of Civil Procedure when a complaint is filed; or

(b) by mailing by certified mail a duly executed copy thereof to the person to be served at his or her last known abode or principal place of business within this State.

(4) In lieu of a civil action, the individual or entity alleged to have engaged in a pattern or practice of discrimination deemed violative of this Act may enter into an Assurance of Voluntary Compliance with respect to the alleged pattern or practice violation.

(5) The Illinois Attorney General may commence a civil action under this subsection (A) whether or not a charge has been filed under Sections 7A-102 or 7B-102 and without regard to the status of any charge, however, if the Department or local agency has obtained a conciliation or settlement agreement or if the parties have entered into an Assurance of Voluntary Compliance no

action may be filed under this subsection (A) with respect to the alleged civil rights violation practice that forms the basis for the complaint except for the purpose of enforcing the terms of the conciliation or settlement agreement or the terms of the Assurance of Voluntary Compliance.

(6) If any person fails or refuses to file any statement or report, or obey any subpoena, issued pursuant to subdivision (A)(2) of this Section, the Attorney General will be deemed to have met the requirement of conducting a preliminary investigation and may proceed to initiate a civil action pursuant to subdivision (A)(1) of this Section.

(B) Relief which may be granted.

(1) In any civil action brought pursuant to subsection (A) of this Section, the Attorney General may obtain as a remedy, equitable relief (including any permanent or preliminary injunction, temporary restraining order, or other order, including an order enjoining the defendant from engaging in such civil rights violation or ordering any action as may be appropriate). In addition, the Attorney General may request and the Court may impose a civil penalty to vindicate the public interest:

(a) for violations of Article 3 and Article 4 in an amount not exceeding $25,000 per violation, and in the case of violations of all other Articles in an amount not exceeding $10,000 if the defendant has not been adjudged to have committed any prior civil rights violations under the provision of the Act that is the basis of the complaint;

(b) for violations of Article 3 and Article 4 in an amount not exceeding $50,000 per violation, and in the case of violations of all other Articles in an amount not exceeding $25,000 if the defendant has been adjudged to have committed one other civil rights violation under the provision of the Act within 5 years of the occurrence of the civil rights violation that is the basis of the complaint; and

(c) for violations of Article 3 and Article 4 in an amount not exceeding $75,000 per violation, and in the case of violations of all other Articles in an amount not exceeding $50,000 if the defendant has been adjudged to have committed 2 or more civil rights violations under the provision of the Act within 5 years of the occurrence of the civil rights violation that is the basis of the complaint.

(2) A civil penalty imposed under subdivision (B)(1) of this Section shall be deposited into the Attorney General Court Ordered and Voluntary Compliance Payment Projects Fund, which is a special fund in the State Treasury. Moneys in the Fund shall be used, subject to appropriation, for the performance of any function pertaining to the exercise of the duties of the Attorney General including but not limited to enforcement of any law of this State and conducting public education programs; however, any moneys in the Fund that are required by the court or by an agreement to be used for a particular purpose shall be used for that purpose.

(3) Aggrieved parties seeking actual damages must follow the procedure set out in Sections 7A-102 or 7B-102 for filing a charge.

(Source: P.A. 93-1017, eff. 8-24-04.)

Section 15. The Illinois Fairness in Lending Act is amended by changing Section 3 as follows:

(815 ILCS 120/3) (from Ch. 17, par. 853)

Sec. 3. No financial institution, in connection with or in contemplation of any loan to any person, may:

(a) Deny or vary the terms of a loan on the basis that a specific parcel of real estate offered as security is located in a specific geographical area.

(b) Deny or vary the terms of a loan without having considered all of the regular and dependable income of each person who would be liable for repayment of the loan.

(c) Deny or vary the terms of a loan on the sole basis of the childbearing capacity of an applicant or an applicant's spouse.

(c-5) Deny or vary the terms of a loan on the basis of the borrower's race, gender, disability, or national origin.

(d) Utilize lending standards that have no economic basis and which are discriminatory in effect.

(e) Engage in equity stripping or loan flipping.

(Source: P.A. 93-561, eff. 1-1-04.)

Section 99. Effective date. This Act takes effect upon becoming law, except Section 5 takes effect January 1, 2009.".

Under the rules, the foregoing **Senate Bill No. 1879**, with House Amendment No. 3, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2021

A bill for AN ACT concerning gaming.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2021

Passed the House, as amended, May 28, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2021

AMENDMENT NO. 1. Amend Senate Bill 2021, on page 3, immediately below line 22, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2021**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2394

A bill for AN ACT concerning public aid.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2394

Passed the House, as amended, May 28, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2394

AMENDMENT NO. 1. Amend Senate Bill 2394 on page 1, after line 17, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory

Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 2, after line 7, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2394**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2696

A bill for AN ACT concerning regulation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2696

Passed the House, as amended, May 28, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2696

AMENDMENT NO. 1. Amend Senate Bill 2696 on page 4, immediately below line 7, by inserting the following:

"(b-15) Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in

Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2696**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 439

A bill for AN ACT concerning elections.

SENATE BILL NO. 2391

A bill for AN ACT concerning transportation.

SENATE BILL NO. 2509

A bill for AN ACT concerning criminal law.

SENATE BILL NO. 2632

A bill for AN ACT concerning economic development.

SENATE BILL NO. 2713

A bill for AN ACT concerning transportation.

Passed the House, May 28, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2657

A bill for AN ACT concerning State government.

Passed the House, May 28, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of the following joint resolution, to-wit:

SENATE JOINT RESOLUTION NO. 77

Concurred in by the House, May 28, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 2308

A bill for AN ACT concerning local government.

HOUSE BILL NO. 4443

A bill for AN ACT concerning appropriations.

Passed the House, May 28, 2008.

MARK MAHONEY, Clerk of the House

The foregoing **House Bills Numbered 2308 and 4443** were taken up, ordered printed and placed on first reading.

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 5668

A bill for AN ACT concerning human rights.
Passed the House, May 28, 2008.

MARK MAHONEY, Clerk of the House

The foregoing **House Bill No. 5668** was taken up, ordered printed and placed on first reading.

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendment 3 to Senate Bill 1879
Motion to Concur in House Amendment 1 to Senate Bill 2500
Motion to Concur in House Amendment 1 to Senate Bill 2907

REPORT FROM STANDING COMMITTEE

Senator Hendon, Chairperson of the Committee on Executive Appointments, moved that the Senate resolve itself into Executive Session to consider the report of that Committee relative to the Governor's Message appointments.
The motion prevailed.

EXECUTIVE SESSION

Senator Hendon, Chairperson of the Committee on Executive Appointments, to which was referred the Governor's Message to the Senate of April 17, 2008, reported the same back with the recommendation that the Senate reject the following appointment:

PRISONER REVIEW BOARD

To be a member of the Prisoner Review Board for a term commencing April 14, 2008 and ending January 21, 2013:

Salvador Z. Diaz
Salaried

The question being, “Does the Senate advise and consent to the appointment just read?” a call of the roll was had resulting as follows:

Yeas 31; Nays 13; Present 11.

The following voted in the affirmative:

Althoff	Dillard	Lauzen	Radogno
Bomke	Frerichs	Luechtefeld	Risinger
Brady	Garrett	Maloney	Rutherford

Burzynski	Halvorson	Martinez	Schoenberg
Cronin	Holmes	Millner	Silverstein
Crotty	Hultgren	Murphy	Syverson
Dahl	Koehler	Pankau	Watson
Delgado	Kotowski	Peterson	

The following voted in the negative:

Clayborne	Hendon	Sandoval	Mr. President
Collins	Hunter	Steans	
Cullerton	Jacobs	Sullivan	
Demuzio	Munoz	Trotter	

The following voted present:

Bond	Harmon	Meeks	Viverito
DeLeo	Lightford	Noland	Wilhelmi
Haine	Link	Raoul	

This roll call verified.
The motion prevailed.
Whereupon the President of the Senate announced confirmation of the foregoing appointment.

Senator Hendon, Chairperson of the Committee on Executive Appointments, to which was referred the Governor's Message to the Senate of May 15, 2008, reported the same back with the recommendation that the Senate advise and consent to the following appointment:

EDUCATIONAL LABOR RELATIONS BOARD

To be a member of the Educational Labor Relations Board for a term commencing June 2, 2008 and ending July 1, 2014:

Ronald F. Ettinger
Salaried

Hendon moved that the Senate advise and consent to the foregoing appointment.
And on that motion, a call of the roll was had resulting as follows:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Halvorson	Martinez	Steans
Clayborne	Harmon	Meeks	Sullivan
Collins	Hendon	Millner	Syverson
Cronin	Holmes	Munoz	Trotter
Crotty	Hultgren	Murphy	Viverito
Cullerton	Hunter	Noland	Watson
Dahl	Jacobs	Pankau	Wilhelmi
DeLeo	Jones, J.	Peterson	Mr. President
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Risinger	

The motion prevailed.
Whereupon the President of the Senate announced confirmation of the foregoing appointment.

Senator Hendon, Chairperson of the Committee on Executive Appointments, to which was referred the Governor's Message to the Senate of May 15, 2008, reported the same back with the recommendation that the Senate advise and consent to the following appointments:

EASTERN ILLINOIS UNIVERSITY BOARD OF TRUSTEES

To be a member of the Eastern Illinois University Board of Trustees for a term commencing May 12, 2008 and ending January 21, 2013:

Leo Welch
Non-salaried

EDUCATION, ILLINOIS STATE BOARD OF

To be a member of the Illinois State Board of Education for a term commencing May 12, 2008 and ending January 12, 2011:

Lanita J. Koster
Non-salaried

LABOR ADVISORY BOARD, DEPARTMENT OF

To be a member of the Department of Labor Advisory Board for a term commencing May 12, 2008 and ending January 18, 2010:

John F. Penn
Non-salaried

Senator Hendon moved that the Senate advise and consent to the foregoing appointments.
And on that motion, a call of the roll was had resulting as follows:

Yeas 56; Nays None.

The following voted in the affirmative:

Althoff	Forby	Link	Sandoval
Bomke	Frerichs	Luechtefeld	Schoenberg
Bond	Garrett	Maloney	Silverstein
Brady	Haine	Martinez	Steans
Burzynski	Halvorson	Meeks	Sullivan
Clayborne	Harmon	Millner	Syverson
Collins	Hendon	Munoz	Trotter
Cronin	Holmes	Murphy	Viverito
Crotty	Hultgren	Noland	Watson
Cullerton	Hunter	Pankau	Wilhelmi
Dahl	Jacobs	Peterson	Mr. President
DeLeo	Koehler	Radogno	
Delgado	Kotowski	Raoul	
Demuzio	Lauzen	Risinger	
Dillard	Lightford	Rutherford	

The motion prevailed.
Whereupon the President of the Senate announced confirmation of the foregoing appointments.

Senator Hendon, Chairperson of the Committee on Executive Appointments, to which was referred the Comptroller's Message to the Senate of May 14, 2008, reported the same back with the recommendation that the Senate advise and consent to the following appointments:

As Inspector General, Office of the State Comptroller**, Mr. Michael J. Drake** for a term running through June 30, 2013

As Commissioner on the Executive Ethics Commission, **Mr. James J. Faught** for a term running through June 30, 2012

Senator Hendon moved that the Senate advise and consent to the foregoing appointments.
And on that motion, a call of the roll was had resulting as follows:

Yeas 55; Nays None.

The following voted in the affirmative:

Althoff	Dillard	Lightford	Risinger
Bomke	Forby	Link	Rutherford
Bond	Frerichs	Luechtefeld	Sandoval
Brady	Garrett	Maloney	Schoenberg
Burzynski	Haine	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Koehler	Peterson	Wilhelmi
Delgado	Kotowski	Radogno	Mr. President
Demuzio	Lauzen	Raoul	

The motion prevailed.
Whereupon the President of the Senate announced confirmation of the foregoing appointments.

Senator Hendon, Chairperson of the Committee on Executive Appointments, to which was referred the Treasurer's Message to the Senate of May 21, 2008, reported the same back with the recommendation that the Senate advise and consent to the following appointments:

EXECUTIVE INSPECTOR GENERAL FOR THE OFFICE OF THE STATE TREASURER

To be Executive Inspector General for the Office of the State Treasurer for a term ending June 30, 2013.

David L. Wells

EXECUTIVE ETHICS COMMISSION MEMBER

To be a member of the Executive Ethics Commission for a term ending June 30, 2012.

MaryNic Foster

Senator Hendon moved that the Senate advise and consent to the foregoing appointments.
And on that motion, a call of the roll was had resulting as follows:

Yeas 56; Nays None.

The following voted in the affirmative:

Althoff	Forby	Link	Sandoval
Bomke	Frerichs	Luechtefeld	Schoenberg
Bond	Garrett	Maloney	Silverstein
Brady	Haine	Martinez	Steans
Burzynski	Halvorson	Meeks	Sullivan
Clayborne	Harmon	Millner	Syverson
Collins	Hendon	Munoz	Trotter
Cronin	Holmes	Murphy	Viverito
Crotty	Hultgren	Noland	Watson
Cullerton	Hunter	Pankau	Wilhelmi
Dahl	Jacobs	Peterson	Mr. President
DeLeo	Koehler	Radogno	
Delgado	Kotowski	Raoul	
Demuzio	Lauzen	Risinger	
Dillard	Lightford	Rutherford	

The motion prevailed.

Whereupon the President of the Senate announced confirmation of the foregoing appointments.

On motion of Senator Hendon, the Executive Session arose and the Senate resumed consideration of business.

Senator Martinez, presiding.

EXCUSED FROM ATTENDANCE

On motion of Senator Risinger, Senator Bivins was excused from attendance due to a death in the family.

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

EMIL JONES, JR.
SENATE PRESIDENT

327 STATE CAPITOL
Springfield, Illinois 62706

May 29, 2008

Ms. Deborah Shipley
Secretary of the Senate
403 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to the provisions of Senate Rule 2-10, I hereby establish May 31, 2008 as the Third Reading deadline for House Bills 4694, 4723, 5773.

Sincerely,
s/Emil Jones, Jr.
Senate President

cc: Senate Minority Leader Frank Watson.

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

EMIL JONES, JR.
SENATE PRESIDENT

327 STATE CAPITOL
Springfield, Illinois 62706

May 29, 2008

Ms. Deborah Shipley
Secretary of the Senate
403 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Martin Sandoval to resume his position on the Senate Local Government Committee. This appointment is effective immediately.

Sincerely,
s/Emil Jones, Jr.
Senate President

cc: Senate Minority Leader Frank Watson.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Halvorson, **House Bill No. 773** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Labor, adopted and ordered printed:

AMENDMENT NO. 1 TO HOUSE BILL 773

AMENDMENT NO. 1. Amend House Bill 773 by replacing everything after the enacting clause with the following:

"Section 5. The Prevailing Wage Act is amended by changing Section 6 as follows:
(820 ILCS 130/6) (from Ch. 48, par. 39s-6)

Sec. 6. Any officer, agent or representative of any public body who wilfully violates, or omits to comply with, any of the ~~the~~ provisions of this Act, and any contractor or subcontractor, or agent or representative thereof, doing public work as aforesaid, who neglects to keep, or cause to be kept, an accurate record of the names, occupation and actual wages paid to each laborer, worker and mechanic employed by him, in connection with the public work or who refuses to allow access to same at any reasonable hour to any person authorized to inspect same under this Act, is guilty of a Class A misdemeanor.

The Department of Labor shall inquire diligently as to any violation of this Act, shall institute actions for penalties herein prescribed, and shall enforce generally the provisions of this Act. The Attorney General shall prosecute such cases upon complaint by the Department or any interested person.
(Source: P.A. 94-488, eff. 1-1-06.)".

There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Maloney, **House Bill No. 4694** having been printed, was taken up and read by title a second time.

The following amendments were offered in the Committee on Transportation, adopted and ordered printed:

AMENDMENT NO. 2 TO HOUSE BILL 4694

AMENDMENT NO. 2. Amend House Bill 4694 on page 1, line 5 by deleting ", 18d-115,"; and

on page 1, line 6 by deleting ", and 18d-195"; and

on page 1, by deleting lines 21 and 22; and

on page 2, by deleting lines 1 through 21; and

on page 4, by deleting lines 22 through 24; and

on page 5, by deleting lines 1 through 22; and

on page 8, by deleting lines 2 through 24.

AMENDMENT NO. 3 TO HOUSE BILL 4694

AMENDMENT NO. 3. Amend House Bill 4694 on page 1, line 6, before "18d-126", by inserting "18d-116, 18d-117,"; and

on page 1, by replacing lines 14 through 17 with the following:
"property by means of towing or otherwise~~, and thereafter relocating and~~"; and

on page 2, by inserting immediately above line 22 the following:
"(625 ILCS 5/18d-116 new)
Sec. 18d-116. Cab cards in vehicles.
(a) Each vehicle used by a commercial vehicle safety relocator in the removal of damaged or disabled vehicles from public or private property shall carry a current cab card issued by or under the authority of the Commission pursuant to registration issued by the Commission to the commercial vehicle safety relocator.
(b) The cab card shall be properly executed by the commercial vehicle safety relocator. The cab card shall be carried in the vehicle for which it was executed. The cab card shall be presented upon request to any authorized employee of the Commission, the State Police, or the Secretary of State.
(c) Cab cards shall be executed, carried, and presented no earlier than June 1 of the calendar year preceding the calendar year for which fees are owing, and no later than August 1 of the calendar year for which fees are owing, unless otherwise provided in Commission rules and orders.
(d) The provisions of this Section apply to vehicles used by a commercial vehicle safety relocator that are owned or leased.
(625 ILCS 5/18d-117 new)
Sec. 18d-117. Issuance of cab cards.
(a) Applications for cab cards shall be on forms prescribed by the Commission.
(b) At the time of annual registration, each commercial safety vehicle relocator shall list all vehicles that will be used to conduct safety relocation towing and the Commission shall issue, as part of the registration process, cab cards for each vehicle listed.
(c) Any other vehicle acquired or leased after the annual registration and used by a commercial safety vehicle relocator to tow damaged or disable vehicles, shall be issued a cab card upon receipt of a $5 fee per card.
(d) Cab cards issued by or under authority of the Commission shall expire automatically on June 30 of each year, or on such other date as the Commission may prescribe. It shall be the responsibility of each commercial vehicle safety relocator to ensure that the cab cards in all of its vehicles are current.
(e) Applications for cab cards may be filed with, and cards may be issued by, the Commission or its agent."; and

on page 4, by replacing lines 17 through 21 with the following:
"towing;
(2) towing authorized by a pre-existing written contract establishing a predetermined cost of all relocation, storage, and any other fees that the commercial vehicle safety relocator will charge for its services. A copy of the pre-existing written contract shall be available for review by law enforcement and carried in all vehicles executing a damaged or disabled vehicle tow that is subject to this exemption;
(3) towing pursuant to a service agreement between a motor club or dealership and the vehicle owner or operator of the damaged or disabled vehicle; or
(4) towing conducted as a result of a vehicle manufacturer's warranty service.".

There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator E. Jones, **House Bill No. 4723** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Halvorson, **House Bill No. 5773** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Environment and Energy, adopted and ordered printed:

AMENDMENT NO. 1 TO HOUSE BILL 5773

AMENDMENT NO. 1. Amend House Bill 5773 by deleting line 13 on page 6 through line 9 on page 7.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Clayborne, **House Bill No. 953**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 48; Nays 4; Present 3.

The following voted in the affirmative:

Althoff	Frerichs	Link	Schoenberg
Bomke	Garrett	Luechtefeld	Silverstein
Bond	Halvorson	Maloney	Steans
Clayborne	Harmon	Martinez	Sullivan
Collins	Hendon	Meeks	Trotter
Crotty	Holmes	Millner	Viverito
Cullerton	Hultgren	Munoz	Watson
Dahl	Hunter	Noland	Wilhelmi
DeLeo	Jacobs	Pankau	Mr. President
Delgado	Jones, J.	Radogno	
Demuzio	Koehler	Raoul	
Dillard	Kotowski	Rutherford	
Forby	Lightford	Sandoval	

The following voted in the negative:

Brady	Lauzen
Burzynski	Murphy

The following voted present:

Peterson
Risinger
Syverson

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILL RECALLED

On motion of Senator Lightford, **House Bill No. 1141** was recalled from the order of third reading to the order of second reading.

Senator Lightford offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 1141

AMENDMENT NO. 2. Amend House Bill 1141, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 21-29 as follows:

(105 ILCS 5/21-29)

Sec. 21-29. Salary Incentive Program for Hard-to-Staff Schools.

(a) The Salary Incentive Program for Hard-to-Staff Schools is established to provide categorical funding for monetary incentives and bonuses for teachers and school administrators who are employed by school districts in schools designated as hard-to-staff by the State Board of Education.

For the purposes of this Section, "hard-to-staff school" means an elementary, middle, or high school that is operated by a school district and that ranks in the top 5% of schools in this State in the average rate of teacher attrition over a 5-year period. The State Board of Education shall allocate and distribute to qualifying schools ~~school districts~~ an amount as annually appropriated by the General Assembly for the Salary Incentive Program for Hard-to-Staff Schools. The State Board of Education's annual budget must set out by separate line item the appropriation for the program. Only teachers and principals who work full time and for a full school year are eligible for the incentives and bonuses.

(b) Unless otherwise provided by appropriation, each school's ~~school district's~~ annual allocation under the Salary Incentive Program for Hard-to-Staff Schools shall be the sum of the following incentives and bonuses:

(1) An annual payment of $3,000 to be paid to each certificated teacher employed as a school teacher by the ~~a~~ school district. The school ~~district~~ shall distribute this payment to each eligible teacher as a single payment or in not more than 3 payments.

(2) An annual payment of $5,000 to each certificated principal that is employed as a school principal by the ~~a~~ school district. The school ~~district~~ shall distribute this payment to each eligible principal as a single payment or in not more than 3 payments.

If the appropriation in a given fiscal year is insufficient to meet all needs under this Section, then claims under this Section must be prorated proportionally.

(c) Each regional superintendent of schools shall provide information about the Salary Incentive Program for Hard-to-Staff Schools to each individual seeking to register or renew a certificate.

(d) The State Board of Education, the Teachers' Retirement System of the State of Illinois, and the Public School Teachers' Pension and Retirement Fund of Chicago shall work together to validate data for the purposes of this Section as necessary.

(Source: P.A. 95-707, eff. 1-11-08.)

Section 10. If and only if Senate Bill 2042 of the 95th General Assembly becomes law, the School Code is amended by changing Sections 10-20.12a and 14-7.05 as follows:

(105 ILCS 5/10-20.12a) (from Ch. 122, par. 10-20.12a)

Sec. 10-20.12a. Tuition for non-resident pupils.

(a) To charge non-resident pupils who attend the schools of the district tuition in an amount not exceeding 110% of the per capita cost of maintaining the schools of the district for the preceding school year.

Such per capita cost shall be computed by dividing the total cost of conducting and maintaining the schools of the district by the average daily attendance, including tuition pupils. Depreciation on the buildings and equipment of the schools of the district, and the amount of annual depreciation on such buildings and equipment shall be dependent upon the useful life of such property.

The tuition charged shall in no case exceed 110% of the per capita cost of conducting and maintaining the schools of the district attended, as determined with reference to the most recent audit prepared under Section 3-7 which is available at the commencement of the current school year. Non-resident pupils attending the schools of the district for less than the school term shall have their tuition apportioned, however pupils who become non-resident during a school term shall not be charged tuition for the remainder of the school term in which they became non-resident pupils.

(b) Unless otherwise agreed to by the parties involved and where the educational services are not otherwise provided for, educational services for an Illinois student under the age of 21 (and not eligible

for services pursuant to Article 14 of this Code) in any residential program shall be provided by the district in which the facility is located and financed as follows. The cost of educational services shall be paid by the district in which the student resides in an amount equal to the cost of providing educational services in the residential facility. Payments shall be made by the district of the student's residence and shall be made to the district wherein the facility is located no less than once per month unless otherwise agreed to by the parties.

The funding provision of this subsection (b) applies to all Illinois students under the age of 21 (and not eligible for services pursuant to Article 14 of this Code) receiving educational services in residential facilities, irrespective of whether the student was placed therein pursuant to this Code or the Juvenile Court Act of 1987 or by an Illinois public agency or a court. ~~Nothing in this Section shall be construed to relieve the district of the student's residence of financial responsibility based on the manner in which the student was placed at the facility.~~ The changes to this subsection (b) made by this amendatory Act of the 95th General Assembly apply to all placements in effect on July 1, 2007 and all placements thereafter. For purposes of this subsection (b), a student's district of residence shall be determined in accordance with subsection (a) of Section 10-20.12b of this Code. The placement of a student in a residential facility shall not affect the residency of the student. When a dispute arises over the determination of the district of residence under this subsection (b), any person or entity, including without limitation a school district or residential facility, may make a written request for a residency decision to the State Superintendent of Education, who, upon review of materials submitted and any other items or information he or she may request for submission, shall issue his or her decision in writing. The decision of the State Superintendent of Education is final.

(Source: P.A. 89-397, eff. 8-20-95; 90-649, eff. 7-24-98; 95SB2042enr.)

(105 ILCS 5/14-7.05)

Sec. 14-7.05. Placement in residential facility; payment of educational costs. For any student with a disability in a residential facility placement made or paid for by an Illinois public State agency or made by any court in this State, the school district of residence as determined pursuant to this Article is responsible for the costs of educating the child and shall be reimbursed for those costs in accordance with this Code. Subject to the this Section and relevant State appropriation, the resident district's financial responsibility and reimbursement must be calculated in accordance with the provisions of Section 14-7.02 of this Code. In those instances in which a district receives a block grant pursuant to Article 1D of this Code, the district's financial responsibility is limited to the actual educational costs of the placement, which must be paid by the district from its block grant appropriation. Resident district financial responsibility and reimbursement applies for both residential facilities that are approved by the State Board of Education and non-approved facilities, subject to the requirements of this Section. The Illinois placing agency or court remains responsible for funding the residential portion of the placement and for notifying the resident district prior to the placement, except in emergency situations. The residential facility in which the student is placed shall notify the resident district of the student's enrollment as soon as practicable after the placement. Failure of the placing agency or court to notify the resident district prior to the placement does not absolve the resident district of financial responsibility for the educational costs of the placement; however, the resident district shall not become financially responsible unless and until it receives written notice of the placement by either the placing agency, court, or residential facility. The placing agency or parent shall request an individualized education program (IEP) meeting from the resident district if the placement would entail additional educational services beyond the student's current IEP. The district of residence shall retain control of the IEP process, and any changes to the IEP must be done in compliance with the federal Individuals with Disabilities Education Act.

Payments shall be made by the resident district to the entity providing the educational services, whether the entity is the residential facility or the school district wherein the facility is located, no less than once per quarter unless otherwise agreed to in writing by the parties.

A residential facility providing educational services within the facility, but not approved by the State Board of Education, is required to demonstrate proof to the State Board of (i) appropriate certification of teachers for the student population, (ii) age-appropriate curriculum, (iii) enrollment and attendance data, and (iv) the ability to implement the child's IEP. A school district is under no obligation to pay such a residential facility unless and until such proof is provided to the State Board's satisfaction.

When a dispute arises over the determination of the district of residence under this Section, any person or entity, including without limitation a school district or residential facility, may make a written request for a residency decision to the State Superintendent of Education, who, upon review of materials submitted and any other items of information he or she may request for submission, shall issue his or her decision in writing. The decision of the State Superintendent of Education is final.

(Source: 95SB2042enr.)

Section 99. Effective date. This Act takes effect upon becoming law, except that Section 10 takes effect upon becoming law or on the effective date of Senate Bill 2042 of the 95th General Assembly, whichever is later.".

The motion prevailed.
And the amendment was adopted and ordered printed.
There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Dillard, **House Bill No. 1533**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILL RECALLED

On motion of Senator Frerichs, **House Bill No. 1768** was recalled from the order of third reading to the order of second reading.

Senator Frerichs offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 1768

AMENDMENT NO. 1. Amend House Bill 1768 on page 3, by replacing lines 9 through 13 with the following:

"(h) Any person not in compliance with this Section shall be guilty of a petty offense. All subsequent violations of this Section shall be a Class C misdemeanor. The fine for subsequent violations shall be at least $100, including court costs. Any fines collected for a subsequent offense shall be remitted by the Circuit Clerk to the Illinois Department of Natural Resources. The Illinois Department of Natural Resources shall deposit the money into the Off-Highway Vehicle Trails Fund.".

The motion prevailed.
And the amendment was adopted and ordered printed.
Senator Frerichs offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 1768

AMENDMENT NO. 2. Amend House Bill 1768 on page 3, by replacing lines 9 through 13 with the following:

"(h) Any person not in compliance with this Section is guilty of a petty offense. All subsequent violations of this Section are a Class C misdemeanor. The fine for subsequent violations shall be at least $100, in addition to court costs. Of each fine collected under this Section, $5 shall be deposited into the Circuit Clerk Operation and Administrative Fund created by the Clerk of the Circuit Court to be used to offset the costs incurred by the Clerk of the Circuit Court in performing the additional duties required to collect and disburse funds to entities of State and local government as provided by law. The balance of any fines collected for a subsequent offense shall be remitted by the Clerk of the Circuit Court to the Illinois Department of Natural Resources. The Illinois Department of Natural Resources shall deposit the money into the Off-Highway Vehicle Trails Fund.".

The motion prevailed.
And the amendment was adopted and ordered printed.
There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Frerichs, **House Bill No. 1768**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

Yeas 57; Nays 1.

The following voted in the affirmative:

Althoff	Forby	Link	Rutherford
Bomke	Frerichs	Luechtefeld	Sandoval
Bond	Garrett	Maloney	Schoenberg
Brady	Haine	Martinez	Silverstein
Burzynski	Halvorson	Meeks	Steans
Clayborne	Harmon	Millner	Sullivan
Collins	Hendon	Munoz	Syverson
Cronin	Holmes	Murphy	Trotter
Crotty	Hultgren	Noland	Viverito
Cullerton	Hunter	Pankau	Watson
Dahl	Jacobs	Peterson	Wilhelmi
DeLeo	Jones, J.	Radogno	Mr. President
Delgado	Koehler	Raoul	
Demuzio	Kotowski	Righter	
Dillard	Lightford	Risinger	

The following voted in the negative:

Lauzen

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Harmon, **House Bill No. 2769**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator J. Jones, **House Bill No. 4137**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President

Demuzio	Kotowski	Raoul
Dillard	Lauzen	Righter

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Burzynski, **House Bill No. 4206**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Collins, **House Bill No. 4212**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter

Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Link, **House Bill No. 4249**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Syverson, **House Bill No. 4252**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg

Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Link, **House Bill No. 4255**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Halvorson	Martinez	Steans
Clayborne	Harmon	Meeks	Sullivan
Collins	Hendon	Millner	Syverson
Cronin	Holmes	Munoz	Trotter
Crotty	Hultgren	Noland	Viverito
Cullerton	Hunter	Pankau	Watson
Dahl	Jacobs	Peterson	Wilhelmi
DeLeo	Jones, J.	Radogno	Mr. President
Delgado	Koehler	Raoul	
Demuzio	Kotowski	Righter	
Dillard	Lauzen	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Clayborne, **House Bill No. 4283**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Link, **House Bill No. 4353**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Link, **House Bill No. 4378**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays 1.

The following voted in the affirmative:

Althoff	Forby	Link	Rutherford
Bomke	Frerichs	Luechtefeld	Sandoval
Bond	Garrett	Maloney	Schoenberg
Brady	Haine	Martinez	Silverstein
Burzynski	Halvorson	Meeks	Steans
Clayborne	Harmon	Millner	Sullivan
Collins	Hendon	Munoz	Syverson
Cronin	Holmes	Murphy	Trotter
Crotty	Hultgren	Noland	Viverito
Cullerton	Hunter	Pankau	Watson
Dahl	Jacobs	Peterson	Wilhelmi
DeLeo	Jones, J.	Radogno	Mr. President
Delgado	Koehler	Raoul	
Demuzio	Kotowski	Righter	
Dillard	Lightford	Risinger	

The following voted in the negative:

Lauzen

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Clayborne, **House Bill No. 4379**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Halvorson, **House Bill No. 4449**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 46; Nays 5; Present 7.

The following voted in the affirmative:

Bomke	Forby	Kotowski	Raoul
Bond	Frerichs	Lightford	Sandoval
Brady	Garrett	Link	Schoenberg
Clayborne	Haine	Maloney	Silverstein
Collins	Halvorson	Martinez	Steans
Cronin	Harmon	Meeks	Sullivan
Crotty	Hendon	Millner	Trotter
Cullerton	Holmes	Munoz	Viverito
DeLeo	Hunter	Murphy	Wilhelmi
Delgado	Jacobs	Noland	Mr. President
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Peterson	

The following voted in the negative:

Lauzen	Righter	Watson
Radogno	Rutherford	

The following voted present:

Althoff	Dahl	Luechtefeld	Syverson
Burzynski	Hultgren	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

REPORTS FROM RULES COMMITTEE

Senator Hendon, Chairperson of the Committee on Rules, to which was referred **Senate Bills Numbered 546 and 1013** on December 3, 2007, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **Senate Bills Numbered 546 and 1013** were returned to the order of third reading.

Senator Hendon, Chairperson of the Committee on Rules, reported that the following Legislative Measure has been approved for consideration:

Senate Floor Amendment No. 3 to Senate Bill 790

The foregoing floor amendment was placed on the Secretary's Desk.

Senator Hendon, Chairperson of the Committee on Rules, during its May 29, 2008 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Environment and Energy: **Senate Floor Amendment No. 2 to House Bill 4622**.

Insurance: **Senate Floor Amendment No. 2 to Senate Bill 874**.

Judiciary Criminal Law: **Senate Floor Amendment No. 1 to Senate Bill 1013**.

Local Government: **Senate Floor Amendment No. 2 to House Bill 4545**.

Pensions and Investments: **Senate Floor Amendment No. 1 to House Bill 5088**.

Public Health: **Senate Floor Amendment No. 1 to Senate Bill 2708**.

Senator Hendon, Chairperson of the Committee on Rules, during its May 29, 2008 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committees of the Senate:

Financial Institutions: **Motion to Concur in House Amendment 3 to Senate Bill 1879**

Insurance: **Motion to Concur in House Amendment 2 to Senate Bill 2380**

COMMITTEE MEETING ANNOUNCEMENTS

Senator Crotty, Chairperson of the Committee on Local Government, announced that the Local Government Committee will meet today in Room 409, at 3:00 o'clock p.m.

Senator Cullerton, Co-Chairperson of the Committee on Judiciary Civil Law, announced that the Judiciary Civil Law Committee will meet today in Room 212, at 3:00 o'clock p.m.

Senator Wilhelmi, Chairperson of the Committee on Judiciary Criminal Law, announced that the Judiciary Criminal Law Committee will meet today in Room 212, at 3:15 o'clock p.m.

Senator Garrett, Chairperson of the Committee on Public Health, announced that the Public Health Committee will meet today in Room 400, at 3:00 o'clock p.m.

Senator Haine, Chairperson of the Committee on Insurance, announced that the Insurance Committee will meet today in Room 400, at 4:00 o'clock p.m.

Senator Clayborne, Chairperson of the Committee on Environment and Energy, announced that the Environment and Energy Committee will meet today in Room 212, at 3:45 o'clock p.m.

Senator Collins, Chairperson of the Committee on Financial Institutions, announced that the Financial Institutions Committee will meet today in Room 400, at 4:15 o'clock p.m.

Senator Raoul, Chairperson of the Committee on Pensions and Investments, announced that the Pensions and Investments Committee will meet today in Room 400, at 3:30 o'clock p.m.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Haine, **House Bill No. 4461**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Halvorson	Martinez	Steans
Clayborne	Harmon	Meeks	Sullivan
Collins	Hendon	Millner	Syverson
Cronin	Holmes	Murphy	Trotter
Crotty	Hultgren	Noland	Viverito
Cullerton	Hunter	Pankau	Watson
Dahl	Jacobs	Peterson	Wilhelmi
DeLeo	Jones, J.	Radogno	Mr. President
Delgado	Koehler	Raoul	
Demuzio	Kotowski	Righter	
Dillard	Lauzen	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Link, **House Bill No. 4536**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Rutherford
Bomke	Frerichs	Link	Sandoval
Bond	Garrett	Luechtefeld	Schoenberg
Brady	Haine	Martinez	Silverstein
Burzynski	Halvorson	Meeks	Steans
Clayborne	Harmon	Millner	Sullivan
Collins	Hendon	Munoz	Syverson
Cronin	Holmes	Murphy	Trotter
Crotty	Hultgren	Noland	Viverito
Cullerton	Hunter	Pankau	Watson
Dahl	Jacobs	Peterson	Wilhelmi
DeLeo	Jones, J.	Radogno	Mr. President
Delgado	Koehler	Raoul	
Demuzio	Kotowski	Righter	
Dillard	Lauzen	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Risinger, **House Bill No. 4653**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Haine, **House Bill No. 4668**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	
Forby	Lightford	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Raoul, **House Bill No. 4673**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Steans
Clayborne	Harmon	Meeks	Sullivan
Collins	Hendon	Millner	Syverson
Cronin	Holmes	Munoz	Trotter
Crotty	Hultgren	Murphy	Viverito
Cullerton	Hunter	Noland	Watson
Dahl	Jacobs	Pankau	Wilhelmi
DeLeo	Jones, J.	Peterson	Mr. President
Delgado	Koehler	Radogno	
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Luechtefeld, **House Bill No. 4727**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi

Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Crotty, **House Bill No. 4778**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan
Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Holmes, **House Bill No. 5059**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 58; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bomke	Frerichs	Link	Rutherford
Bond	Garrett	Luechtefeld	Sandoval
Brady	Haine	Maloney	Schoenberg
Burzynski	Halvorson	Martinez	Silverstein
Clayborne	Harmon	Meeks	Steans
Collins	Hendon	Millner	Sullivan

Cronin	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Raoul, **House Bill No. 5069** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 5069

AMENDMENT NO. 1. Amend House Bill 5069 immediately below the enacting clause, by inserting the following:

"Section 3. The Illinois Income Tax Act is amended by changing Section 404 as follows:

(35 ILCS 5/404) (from Ch. 120, par. 4-404)

Sec. 404. Reallocation of Items.

(a) If it appears to the Director that any agreement, understanding or arrangement exists between any persons which causes any person's base income allocable to this State to be improperly or inaccurately reflected, the Director may adjust such items of income and deduction, and any factor taken into account in allocating income to this State, to such extent as may reasonably be required to determine the base income of such person properly allocable to this State.

(b) The Director may not make an adjustment to base income under this Section that has the same effect as retroactively applying any amendments to this Act made by Public Act 93-0840, Public Act 95-0233, or Public Act 95-0707.

(Source: P.A. 76-261.)"; and

by replacing line 22 on page 1 through line 1 on page 2 with the following:

"Section 99. Effective date. This Act takes effect upon becoming law, except that the changes in Section 5 of the Act take effect on January 1, 2009.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Raoul, **House Bill No. 5069**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

Yeas 56; Nays 1.

The following voted in the affirmative:

Althoff	Frerichs	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Bond	Haine	Martinez	Silverstein
Brady	Halvorson	Meeks	Steans
Burzynski	Harmon	Millner	Sullivan
Clayborne	Hendon	Munoz	Syverson
Collins	Holmes	Murphy	Trotter
Crotty	Hunter	Noland	Viverito
Cullerton	Jacobs	Pankau	Watson
Dahl	Jones, J.	Peterson	Wilhelmi
DeLeo	Koehler	Radogno	Mr. President
Delgado	Kotowski	Raoul	
Demuzio	Lauzen	Righter	
Dillard	Lightford	Risinger	
Forby	Link	Rutherford	

The following voted in the negative:

Hultgren

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Demuzio, **House Bill No. 5077** was recalled from the order of third reading to the order of second reading.

Senator Demuzio offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 5077

AMENDMENT NO. _2__. Amend House Bill 5077, AS AMENDED, by deleting Section 5.

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Demuzio, **House Bill No. 5077**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 54; Nays None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Risinger
Bomke	Frerichs	Lightford	Rutherford
Bond	Garrett	Link	Schoenberg
Brady	Haine	Maloney	Silverstein
Burzynski	Halvorson	Martinez	Steans
Clayborne	Harmon	Meeks	Sullivan

Collins	Hendon	Millner	Syverson
Crotty	Holmes	Munoz	Trotter
Cullerton	Hultgren	Murphy	Viverito
Dahl	Hunter	Noland	Watson
DeLeo	Jacobs	Peterson	Wilhelmi
Delgado	Jones, J.	Radogno	Mr. President
Demuzio	Koehler	Raoul	
Dillard	Kotowski	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Garrett, **House Bill No. 5338**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 56; Nays None.

The following voted in the affirmative:

Althoff	Frerichs	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Bond	Haine	Martinez	Silverstein
Brady	Halvorson	Meeks	Steans
Burzynski	Harmon	Millner	Sullivan
Clayborne	Hendon	Munoz	Syverson
Collins	Holmes	Murphy	Trotter
Crotty	Hultgren	Noland	Viverito
Cullerton	Hunter	Pankau	Watson
Dahl	Jones, J.	Peterson	Wilhelmi
DeLeo	Koehler	Radogno	Mr. President
Delgado	Kotowski	Raoul	
Demuzio	Lauzen	Righter	
Dillard	Lightford	Risinger	
Forby	Link	Rutherford	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Righter, **House Bill No. 5768**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval

Bond	Haine	Maloney	Schoenberg
Brady	Halvorson	Martinez	Silverstein
Burzynski	Harmon	Meeks	Steans
Clayborne	Hendon	Millner	Sullivan
Collins	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	
Forby	Lightford	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Cullerton, **Senate Bill No. 751**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 57; Nays None.

The following voted in the affirmative:

Althoff	Frerichs	Link	Rutherford
Bomke	Garrett	Luechtefeld	Sandoval
Bond	Haine	Maloney	Schoenberg
Brady	Halvorson	Martinez	Silverstein
Burzynski	Harmon	Meeks	Steans
Clayborne	Hendon	Millner	Sullivan
Collins	Holmes	Munoz	Syverson
Crotty	Hultgren	Murphy	Trotter
Cullerton	Hunter	Noland	Viverito
Dahl	Jacobs	Pankau	Watson
DeLeo	Jones, J.	Peterson	Wilhelmi
Delgado	Koehler	Radogno	Mr. President
Demuzio	Kotowski	Raoul	
Dillard	Lauzen	Righter	
Forby	Lightford	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 788** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 788

AMENDMENT NO. 1. Amend Senate Bill 788 by replacing everything after the enacting clause with the following:

"Section 5. The General Obligation Bond Act is amended by changing Sections 2, 2.5, 7.2, 9 and 11 as follows:

(30 ILCS 330/2) (from Ch. 127, par. 652)

Sec. 2. Authorization for Bonds. The State of Illinois is authorized to issue, sell and provide for the retirement of General Obligation Bonds of the State of Illinois for the categories and specific purposes expressed in Sections 2 through 8 of this Act, in the total amount of $43,658,149,369 ~~$27,658,149,369~~.

The bonds authorized in this Section 2 and in Section 16 of this Act are herein called "Bonds".

Of the total amount of Bonds authorized in this Act, up to $2,200,000,000 in aggregate original principal amount may be issued and sold in accordance with the Baccalaureate Savings Act in the form of General Obligation College Savings Bonds.

Of the total amount of Bonds authorized in this Act, up to $300,000,000 in aggregate original principal amount may be issued and sold in accordance with the Retirement Savings Act in the form of General Obligation Retirement Savings Bonds.

Of the total amount of Bonds authorized in this Act, the additional $10,000,000,000 authorized by Public Act 93-2 and the $16,000,000,000 authorized by this amendatory Act of the 95th General Assembly ~~this amendatory Act of the 93rd General Assembly~~ shall be issued and used solely as provided in Section 7.2.

The issuance and sale of Bonds pursuant to the General Obligation Bond Act is an economical and efficient method of financing the long-term capital needs of the State. This Act will permit the issuance of a multi-purpose General Obligation Bond with uniform terms and features. This will not only lower the cost of registration but also reduce the overall cost of issuing debt by improving the marketability of Illinois General Obligation Bonds.

(Source: P.A. 92-13, eff. 6-22-01; 92-596, eff. 6-28-02; 92-598, eff. 6-28-02; 93-2, eff. 4-7-03; 93-839, eff. 7-30-04.)

(30 ILCS 330/2.5)

Sec. 2.5. Limitation on issuance of Bonds.

(a) Except as provided in subsection (b), no Bonds may be issued if, after the issuance, in the next State fiscal year after the issuance of the Bonds, the amount of debt service (including principal, whether payable at maturity or pursuant to mandatory sinking fund installments, and interest) on all then-outstanding Bonds, other than Bonds issued pursuant to Section 7.2 of this Act, would exceed 7% of the aggregate appropriations from the general funds (which consist of the General Revenue Fund, the Common School Fund, the General Revenue Common School Special Account Fund, and the Education Assistance Fund) and the Road Fund for the fiscal year immediately prior to the fiscal year of the issuance.

(b) If the Comptroller and Treasurer each consent in writing, Bonds may be issued even if the issuance does not comply with subsection (a).

(Source: P.A. 93-839, eff. 7-30-04.)

(30 ILCS 330/7.2)

Sec. 7.2. State pension funding.

(a) The amount of $10,000,000,000 is authorized to be used for the purpose of making contributions to the designated retirement systems. For the purposes of this Section, "designated retirement systems" means the State Employees' Retirement System of Illinois; the Teachers' Retirement System of the State of Illinois; the State Universities Retirement System; the Judges Retirement System of Illinois; and the General Assembly Retirement System.

The amount of $16,000,000,000 of Bonds authorized by this amendatory Act of the 95th General Assembly is authorized to be used for the purpose of making contributions to the designated retirement systems.

(b) The Pension Contribution Fund is created as a special fund in the State Treasury.

The proceeds of the additional $10,000,000,000 of Bonds authorized by this amendatory Act of the 93rd General Assembly, less the amounts authorized in the Bond Sale Order to be deposited directly into the capitalized interest account of the General Obligation Bond Retirement and Interest Fund or otherwise directly paid out for bond sale expenses under Section 8, shall be deposited into the Pension Contribution Fund and used as provided in this Section.

The proceeds of the additional $16,000,000,000 of bonds authorized by this amendatory Act of the 95th General Assembly, less the amounts directly paid out for bond sale expenses under Section 8, shall

be deposited into the Pension Contribution Fund and used as provided in this Section, provided that at the request of the Illinois State Board of Investments or the affected state pension system established under Article 15 or 16 of the Illinois Pension Code, all or a portion of such proceeds may be used by the Governor's Office of Management and Budget to purchase an investment contract or other investment assets, which shall be transferred to the affected pension systems.

(c) Of the amount of Bond proceeds from the bond sale authorized by Public Act 93-2 first deposited into the Pension Contribution Fund, there shall be reserved for transfers under this subsection the sum of $300,000,000, representing the required State contributions to the designated retirement systems for the last quarter of State fiscal year 2003, plus the sum of $1,860,000,000, representing the required State contributions to the designated retirement systems for State fiscal year 2004.

Upon the deposit of sufficient moneys from the bond sale authorized by Public Act 93-2 into the Pension Contribution Fund, the Comptroller and Treasurer shall immediately transfer the sum of $300,000,000 from the Pension Contribution Fund to the General Revenue Fund.

Whenever any payment of required State contributions for State fiscal year 2004 is made to one of the designated retirement systems, the Comptroller and Treasurer shall, as soon as practicable, transfer from the Pension Contribution Fund to the General Revenue Fund an amount equal to the amount of that payment to the designated retirement system. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, the transfers from the Pension Contribution Fund to the General Revenue Fund shall be suspended until June 30, 2004, and the remaining balance in the Pension Contribution Fund shall be transferred directly to the designated retirement systems as provided in Section 6z-61 of the State Finance Act. On and after July 1, 2004, in the event that any amount is on deposit in the Pension Contribution Fund from time to time, the Comptroller and Treasurer shall continue to make such transfers based on fiscal year 2005 payments until the entire amount on deposit has been transferred.

(d) All amounts deposited into the Pension Contribution Fund, other than the amounts reserved for the transfers under subsection (c), shall be appropriated to the designated retirement systems to reduce their actuarial reserve deficiencies. The amount of the appropriation to each designated retirement system shall constitute a portion of the total appropriation under this subsection that is the same as that retirement system's portion of the total actuarial reserve deficiency of the systems, as most recently determined by the Governor's Office of Management and Budget under Section 8.12 of the State Finance Act.

Within 15 days after any Bond proceeds in excess of the amounts initially reserved under subsection (c) from the bond sale authorized by Public Act 93-2 are deposited into the Pension Contribution Fund, the Governor's Office of Management and Budget shall (i) allocate those proceeds among the designated retirement systems in proportion to their respective actuarial reserve deficiencies, as most recently determined under Section 8.12 of the State Finance Act, and (ii) certify those allocations to the designated retirement systems and the Comptroller.

Upon receiving certification of an allocation under this subsection, a designated retirement system shall submit to the Comptroller a voucher for the amount of its allocation. The voucher shall be paid out of the amount appropriated to that designated retirement system from the Pension Contribution Fund pursuant to this subsection.

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

(30 ILCS 330/9) (from Ch. 127, par. 659)

Sec. 9. Conditions for Issuance and Sale of Bonds - Requirements for Bonds.

(a) Except as otherwise provided in this subsection, Bonds shall be issued and sold from time to time, in one or more series, in such amounts and at such prices as may be directed by the Governor, upon recommendation by the Director of the Governor's Office of Management and Budget. Bonds shall be in such form (either coupon, registered or book entry), in such denominations, payable within 25 years from their date, subject to such terms of redemption with or without premium, bear interest payable at such times and at such fixed or variable rate or rates, and be dated as shall be fixed and determined by the Director of the Governor's Office of Management and Budget in the order authorizing the issuance and sale of any series of Bonds, which order shall be approved by the Governor and is herein called a "Bond Sale Order"; provided however, that interest payable at fixed or variable rates shall not exceed that permitted in the Bond Authorization Act, as now or hereafter amended, and provided further that Bonds authorized by this amendatory Act of the 95th General Assembly, issued at a fixed rate, shall bear interest at an interest rate or interest rates not to exceed 5.95%. Bonds shall be payable at such place or places, within or without the State of Illinois, and may be made registrable as to either principal or as to both principal and interest, as shall be specified in the Bond Sale Order. Bonds may be callable or subject to purchase and retirement or tender and remarketing as fixed and determined in the Bond Sale Order. Bonds must be issued with principal or mandatory redemption amounts in equal amounts, with

the first maturity issued occurring within the fiscal year in which the Bonds are issued or within the next succeeding fiscal year, with Bonds issued maturing or subject to mandatory redemption each fiscal year thereafter up to 25 years. Notwithstanding anything in this Act to the contrary, the term of the Bonds authorized by this amendatory Act of the 95th General Assembly may not exceed 30 years from issuance, with payment of principal beginning in the first State fiscal year following the fiscal year of issuance and, to the extent so determined and specified in the Bond Sale Order, including periodic increases in principal payments, whether at maturity or upon mandatory redemption thereafter, provided that such Bonds maturing more than one year from the date of issuance shall not be payable on a single date in a fixed amount.

In the case of any series of Bonds bearing interest at a variable interest rate ("Variable Rate Bonds"), in lieu of determining the rate or rates at which such series of Variable Rate Bonds shall bear interest and the price or prices at which such Variable Rate Bonds shall be initially sold or remarketed (in the event of purchase and subsequent resale), the Bond Sale Order may provide that such interest rates and prices may vary from time to time depending on criteria established in such Bond Sale Order, which criteria may include, without limitation, references to indices or variations in interest rates as may, in the judgment of a remarketing agent, be necessary to cause Variable Rate Bonds of such series to be remarketable from time to time at a price equal to their principal amount, and may provide for appointment of a bank, trust company, investment bank, or other financial institution to serve as remarketing agent in that connection. The Bond Sale Order may provide that alternative interest rates or provisions for establishing alternative interest rates, different security or claim priorities, or different call or amortization provisions will apply during such times as Variable Rate Bonds of any series are held by a person providing credit or liquidity enhancement arrangements for such Bonds as authorized in subsection (b) of this Section. The Bond Sale Order, other than for those bonds authorized pursuant to this amendatory Act of the 95th General Assembly, may also provide for such variable interest rates to be established pursuant to a process generally known as an auction rate process and may provide for appointment of one or more financial institutions to serve as auction agents and broker-dealers in connection with the establishment of such interest rates and the sale and remarketing of such Bonds.

(b) In connection with the issuance of any series of Bonds, the State may enter into arrangements to provide additional security and liquidity for such Bonds, including, without limitation, bond or interest rate insurance or letters of credit, lines of credit, bond purchase contracts, or other arrangements whereby funds are made available to retire or purchase Bonds, thereby assuring the ability of owners of the Bonds to sell or redeem their Bonds. The State may enter into contracts and may agree to pay fees to persons providing such arrangements, but only under circumstances where the Director of the Governor's Office of Management and Budget certifies that he or she reasonably expects the total interest paid or to be paid on the Bonds, together with the fees for the arrangements (being treated as if interest), would not, taken together, cause the Bonds to bear interest, calculated to their stated maturity, at a rate in excess of the rate that the Bonds would bear in the absence of such arrangements.

The State may, with respect to Bonds issued or anticipated to be issued, participate in and enter into arrangements with respect to interest rate protection or exchange agreements, guarantees, or financial futures contracts for the purpose of limiting, reducing, or managing interest rate exposure. The authority granted under this paragraph, however, shall not increase the principal amount of Bonds authorized to be issued by law. The arrangements may be executed and delivered by the Director of the Governor's Office of Management and Budget on behalf of the State. Net payments for such arrangements shall constitute interest on the Bonds and shall be paid from the General Obligation Bond Retirement and Interest Fund. The Director of the Governor's Office of Management and Budget shall at least annually certify to the Governor and the State Comptroller his or her estimate of the amounts of such net payments to be included in the calculation of interest required to be paid by the State.

(c) Prior to the issuance of any Variable Rate Bonds pursuant to subsection (a), the Director of the Governor's Office of Management and Budget shall adopt an interest rate risk management policy providing that the amount of the State's variable rate exposure with respect to Bonds shall not exceed 20%. This policy shall remain in effect while any Bonds are outstanding and the issuance of Bonds shall be subject to the terms of such policy. The terms of this policy may be amended from time to time by the Director of the Governor's Office of Management and Budget but in no event shall any amendment cause the permitted level of the State's variable rate exposure with respect to Bonds to exceed 20%.
(Source: P.A. 92-16, eff. 6-28-01; 93-9, eff. 6-3-03; 93-666, eff. 3-5-04; 93-839, eff. 7-30-04.)

(30 ILCS 330/11) (from Ch. 127, par. 661)

Sec. 11. Sale of Bonds. Except as otherwise provided in this Section, Bonds shall be sold from time to time pursuant to notice of sale and public bid or by negotiated sale in such amounts and at such times as is directed by the Governor, upon recommendation by the Director of the Governor's Office of

Management and Budget. At least 25%, based on total principal amount, of all Bonds issued each fiscal year shall be sold pursuant to notice of sale and public bid. At all times during each fiscal year, no more than 75%, based on total principal amount, of the Bonds issued each fiscal year, shall have been sold by negotiated sale. Failure to satisfy the requirements in the preceding 2 sentences shall not affect the validity of any previously issued Bonds. All Bonds issued pursuant to the authorization contained in this amendatory Act of the 95th General Assembly may be sold by negotiated sale. The principal amount of Bonds issued pursuant to the authorization contained in this amendatory Act of the 95th General Assembly shall not be included in determining compliance for any fiscal year with the requirements of the second and third sentences of this paragraph.

If any Bonds, including refunding Bonds, are to be sold by negotiated sale, the Director of the Governor's Office of Management and Budget shall comply with the competitive request for proposal process set forth in the Illinois Procurement Code and all other applicable requirements of that Code.

If Bonds are to be sold pursuant to notice of sale and public bid, the Director of the Governor's Office of Management and Budget shall, from time to time, as Bonds are to be sold, advertise the sale of the Bonds in at least 2 daily newspapers, one of which is published in the City of Springfield and one in the City of Chicago. The sale of the Bonds shall also be advertised in the volume of the Illinois Procurement Bulletin that is published by the Department of Central Management Services. Each of the advertisements for proposals shall be published once at least 10 days prior to the date fixed for the opening of the bids. The Director of the Governor's Office of Management and Budget may reschedule the date of sale upon the giving of such additional notice as the Director deems adequate to inform prospective bidders of such change; provided, however, that all other conditions of the sale shall continue as originally advertised.

Executed Bonds shall, upon payment therefor, be delivered to the purchaser, and the proceeds of Bonds shall be paid into the State Treasury as directed by Section 12 of this Act.
(Source: P.A. 93-839, eff. 7-30-04.)

Section 10. The Illinois Pension Code is amended by changing Sections 2-124, 2-134, 14-131, 14-135.08, 15-155, 15-156, 15-157, 15-165, 16-158, 18-131, and 18-140 as follows:

(40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

Sec. 2-124. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with the contributions of participants, interest earned on investments, and other income will meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

(b) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the prescribed rate of interest, using the formula in subsection (c).

(c) Except as otherwise provided in this Section, the ~~For State fiscal years 2011 through 2045, the~~ minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2034, as ~~2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be~~ determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is $4,157,000.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is $5,220,300.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2009 is $7,653,000, less that percentage of estimated fiscal year 2009 debt service payable on bonds authorized by this amendatory Act of the 95th General Assembly that is attributable to the percentage of bond proceeds received by the System.

For each of State fiscal years 2010 ~~2008~~ through 2038 ~~2010~~, the State contribution to the System~~, as a percentage of the applicable employee payroll,~~ shall be increased in an ~~equal~~ annual amount equal to the increase from the required State contribution from the preceding fiscal year, and this increase shall be increased by 3% each year ~~increments from the required State contribution for State fiscal year 2007~~, so

that by State fiscal year 2038 ~~2011~~, the State is contributing at the rate otherwise required under this Section. If in any year this specified payment, when actuarially projected forward, should not be sufficient to achieve 90% funding by 2038, then that year's contribution shall be the amount necessary when taken as a level dollar increase, increased by 3% each year, to achieve 90% funding by 2038.

Beginning in State fiscal year 2039 or the fiscal year following that fiscal year during which 90% funding is achieved, the minimum State contribution for each fiscal year shall be the amount determined by the System to be sufficient to accumulate total System assets equal to 90% of the total actuarial liabilities of the System over 30 years. In making these determinations, the required State contribution shall be calculated each year as a level percentage of employee payroll over 30 years and shall be determined under the project unit credit actuarial cost method. ~~2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.~~

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and for fiscal year 2010 and each fiscal year thereafter, as calculated under this Section and certified under Section 2-134, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act.

(d) Notwithstanding this Code or any other law to the contrary, the Board must ensure that at least 19% of the proceeds from the issuance of general obligation bonds under the General Obligation Bond Act authorized by this amendatory Act of the 95th General Assembly are invested with the assistance of qualified financial consultants who are a "minority owned business" or a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. ~~In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.~~

(Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05; 94-839, eff. 6-6-06.)

(40 ILCS 5/2-134) (from Ch. 108 1/2, par. 2-134)

Sec. 2-134. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor on or before December 15 of each year the amount of the required State contribution to the System for the next fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before July 1, 2008, the board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2009, taking into account the changes in required contributions made by this amendatory Act of the 95th General Assembly.

(b) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not

submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (d) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year. If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(c) The full amount of any annual appropriation for the System for State fiscal year 1995 shall be transferred and made available to the System at the beginning of that fiscal year at the request of the Board. Any excess funds remaining at the end of any fiscal year from appropriations shall be retained by the System as a general reserve to meet the System's accrued liabilities.

(Source: P.A. 94-4, eff. 6-1-05; 94-536, eff. 8-10-05; 95-331, eff. 8-21-07.)

(40 ILCS 5/14-131) (from Ch. 108 1/2, par. 14-131)

Sec. 14-131. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with other employer contributions from trust, federal, and other funds, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

For the purposes of this Section and Section 14-135.08, references to State contributions refer only to employer contributions and do not include employee contributions that are picked up or otherwise paid by the State or a department on behalf of the employee.

(b) The Board shall determine the total amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board, using the formula in subsection (e).

The Board shall also determine a State contribution rate for each fiscal year, expressed as a percentage of payroll, based on the total required State contribution for that fiscal year (less the amount received by the System from appropriations under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act, if any, for the fiscal year ending on the June 30 immediately preceding the applicable November 15 certification deadline), the estimated payroll (including all forms of compensation) for personal services rendered by eligible employees, and the recommendations of the actuary.

For the purposes of this Section and Section 14.1 of the State Finance Act, the term "eligible employees" includes employees who participate in the System, persons who may elect to participate in the System but have not so elected, persons who are serving a qualifying period that is required for participation, and annuitants employed by a department as described in subdivision (a)(1) or (a)(2) of Section 14-111.

(c) Contributions shall be made by the several departments for each pay period by warrants drawn by the State Comptroller against their respective funds or appropriations based upon vouchers stating the amount to be so contributed. These amounts shall be based on the full rate certified by the Board under Section 14-135.08 for that fiscal year. From the effective date of this amendatory Act of the 93rd General Assembly through the payment of the final payroll from fiscal year 2004 appropriations, the several departments shall not make contributions for the remainder of fiscal year 2004 but shall instead make payments as required under subsection (a-1) of Section 14.1 of the State Finance Act. The several departments shall resume those contributions at the commencement of fiscal year 2005.

(d) If an employee is paid from trust funds or federal funds, the department or other employer shall pay employer contributions from those funds to the System at the certified rate, unless the terms of the trust or the federal-State agreement preclude the use of the funds for that purpose, in which case the required employer contributions shall be paid by the State. From the effective date of this amendatory Act of the 93rd General Assembly through the payment of the final payroll from fiscal year 2004 appropriations, the department or other employer shall not pay contributions for the remainder of fiscal year 2004 but shall instead make payments as required under subsection (a-1) of Section 14.1 of the State Finance Act. The department or other employer shall resume payment of contributions at the commencement of fiscal year 2005.

(e) Except as otherwise provided in this Section, the ~~For State fiscal years 2011 through 2045, the~~ minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total

actuarial liabilities of the System by the end of State fiscal year 2034, as ~~2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be~~ determined under the projected unit credit actuarial cost method.

~~For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that (i) for State fiscal year 1998, for all purposes of this Code and any other law of this State, the certified percentage of the applicable employee payroll shall be 5.052% for employees earning eligible creditable service under Section 14-110 and 6.500% for all other employees, notwithstanding any contrary certification made under Section 14-135.08 before the effective date of this amendatory Act of 1997, and (ii) in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a): 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY 2002; 10.6% in FY 2003; and 10.8% in FY 2004.~~

Notwithstanding any other provision of this Article, the total required State contribution to the System for State fiscal year 2006 is $203,783,900.

Notwithstanding any other provision of this Article, the total required State contribution to the System for State fiscal year 2007 is $344,164,400.

Notwithstanding any other provision of this Article, the total required State contribution to the System for State fiscal year 2009 is $623,406,000, less that percentage of estimated fiscal year 2009 debt service payable on bonds authorized by this amendatory Act of the 95th General Assembly that is attributable to the percentage of bond proceeds received by the System.

For each of State fiscal years 2010 ~~2008~~ through 2038 ~~2010~~, the State contribution to the System~~, as a percentage of the applicable employee payroll,~~ shall be increased in an ~~equal~~ annual amount equal to the increase from the required State contribution from the preceding fiscal year, and this increase shall be increased by 3% each year ~~increments from the required State contribution for State fiscal year 2007~~, so that by State fiscal year 2038 ~~2011~~, the State is contributing at the rate otherwise required under this Section. If in any year this specified payment, when actuarially projected forward, should not be sufficient to achieve 90% funding by 2038, then that year's contribution shall be the amount necessary when taken as a level dollar increase, increased by 3% each year, to achieve 90% funding by 2038.

Beginning in State fiscal year 2039 or the fiscal year following that fiscal year during which 90% funding is achieved, the minimum State contribution for each fiscal year shall be the amount determined by the System to be sufficient to accumulate total System assets equal to 90% of the total actuarial liabilities of the System over 30 years. In making these determinations, the required State contribution shall be calculated each year as a level percentage of employee payroll over 30 years and shall be determined under the project unit credit actuarial cost method. ~~2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.~~

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and for fiscal year 2010 and each fiscal year thereafter, as calculated under this Section and certified under Section 14-135.08, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. ~~In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service~~

~~payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.~~

(f) After the submission of all payments for eligible employees from personal services line items in fiscal year 2004 have been made, the Comptroller shall provide to the System a certification of the sum of all fiscal year 2004 expenditures for personal services that would have been covered by payments to the System under this Section if the provisions of this amendatory Act of the 93rd General Assembly had not been enacted. Upon receipt of the certification, the System shall determine the amount due to the System based on the full rate certified by the Board under Section 14-135.08 for fiscal year 2004 in order to meet the State's obligation under this Section. The System shall compare this amount due to the amount received by the System in fiscal year 2004 through payments under this Section and under Section 6z-61 of the State Finance Act. If the amount due is more than the amount received, the difference shall be termed the "Fiscal Year 2004 Shortfall" for purposes of this Section, and the Fiscal Year 2004 Shortfall shall be satisfied under Section 1.2 of the State Pension Funds Continuing Appropriation Act. If the amount due is less than the amount received, the difference shall be termed the "Fiscal Year 2004 Overpayment" for purposes of this Section, and the Fiscal Year 2004 Overpayment shall be repaid by the System to the Pension Contribution Fund as soon as practicable after the certification.

(g) Notwithstanding this Code or any other law to the contrary, the Board must ensure that at least 19% of the proceeds from the issuance of general obligation bonds under the General Obligation Bond Act authorized by this amendatory Act of the 95th General Assembly are invested through qualified investment advisers who are a "minority owned business" or a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4, eff. 6-1-05; 94-839, eff. 6-6-06.)

(40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

Sec. 14-135.08. To certify required State contributions.

(a) To certify to the Governor and to each department, on or before November 15 of each year, the required rate for State contributions to the System for the next State fiscal year, as determined under subsection (b) of Section 14-131. The certification to the Governor shall include a copy of the actuarial recommendations upon which the rate is based.

(b) The certification shall include an additional amount necessary to pay all principal of and interest on those general obligation bonds due the next fiscal year authorized by Section 7.2(a) of the General Obligation Bond Act and issued to provide the proceeds deposited by the State with the System ~~in July 2003~~, representing deposits other than amounts reserved under Section 7.2(c) of the General Obligation Bond Act from the bond sale authorized by Public Act 93-2. For State fiscal year 2005, the Board shall make a supplemental certification of the additional amount necessary to pay all principal of and interest on those general obligation bonds due in State fiscal years 2004 and 2005 authorized by Section 7.2(a) of the General Obligation Bond Act and issued to provide the proceeds deposited by the State with the System in July 2003, representing deposits other than amounts reserved under Section 7.2(c) of the General Obligation Bond Act, as soon as practical after the effective date of this amendatory Act of the 93rd General Assembly.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor and to each department the amount of the required State contribution to the System and the required rates for State contributions to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor and to each department the amount of the required State contribution to the System and the required rates for State contributions to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before July 1, 2008, the Board shall recalculate and recertify to the Governor and to each Department the amount of the required State contribution to the System and the required rates for State contribution to the System for State fiscal year 2009, taking into account the changes in required contributions made by this amendatory Act of the 95th General Assembly.

(Source: P.A. 93-2, eff. 4-7-03; 93-839, eff. 7-30-04; 94-4, eff. 6-1-05.)

(40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

Sec. 15-155. Employer contributions.

(a) The State of Illinois shall make contributions by appropriations of amounts which, together with the other employer contributions from trust, federal, and other funds, employee contributions, income from investments, and other income of this System, will be sufficient to meet the cost of maintaining and

administering the System on a 90% funded basis in accordance with actuarial recommendations.

The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (a-1).

(a-1) Except as otherwise provided in this Section, the ~~For State fiscal years 2011 through 2045, the~~ minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2034, as ~~2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be~~ determined under the projected unit credit actuarial cost method.

~~For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.~~

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is $166,641,900.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is $252,064,100.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2009 is $422,189,000, less that percentage of estimated fiscal year 2009 debt service payable on bonds authorized by this amendatory Act of the 95th General Assembly that is attributable to the percentage of bond proceeds received by the System.

For each of State fiscal years 2010 ~~2008~~ through 2038 ~~2010~~, the State contribution to the System~~, as a percentage of the applicable employee payroll,~~ shall be increased in an ~~equal~~ annual amount equal to the increase from the required State contribution from the preceding fiscal year, and this increase shall be increased by 3% each year ~~increments from the required State contribution for State fiscal year 2007~~, so that by State fiscal year 2038 ~~2011~~, the State is contributing at the rate otherwise required under this Section. If in any year this specified payment, when actuarially projected forward, should not be sufficient to achieve 90% funding by 2038, then that year's contribution shall be the amount necessary when taken as a level dollar increase, increased by 3% each year, to achieve 90% funding by 2038.

Beginning in State fiscal year 2039 or the fiscal year following that fiscal year during which 90% funding is achieved, the minimum State contribution for each fiscal year shall be the amount determined by the System to be sufficient to accumulate total System assets equal to 90% of the total actuarial liabilities of the System over 30 years. In making these determinations, the required State contribution shall be calculated each year as a level percentage of employee payroll over 30 years and shall be determined under the project unit credit actuarial cost method. ~~2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.~~

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and for fiscal year 2010 and each fiscal year thereafter, as calculated under this Section and certified under Section 15-165, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. ~~In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise~~

~~required under this Section.~~

(b) If an employee is paid from trust or federal funds, the employer shall pay to the Board contributions from those funds which are sufficient to cover the accruing normal costs on behalf of the employee. However, universities having employees who are compensated out of local auxiliary funds, income funds, or service enterprise funds are not required to pay such contributions on behalf of those employees. The local auxiliary funds, income funds, and service enterprise funds of universities shall not be considered trust funds for the purpose of this Article, but funds of alumni associations, foundations, and athletic associations which are affiliated with the universities included as employers under this Article and other employers which do not receive State appropriations are considered to be trust funds for the purpose of this Article.

(b-1) The City of Urbana and the City of Champaign shall each make employer contributions to this System for their respective firefighter employees who participate in this System pursuant to subsection (h) of Section 15-107. The rate of contributions to be made by those municipalities shall be determined annually by the Board on the basis of the actuarial assumptions adopted by the Board and the recommendations of the actuary, and shall be expressed as a percentage of salary for each such employee. The Board shall certify the rate to the affected municipalities as soon as may be practical. The employer contributions required under this subsection shall be remitted by the municipality to the System at the same time and in the same manner as employee contributions.

(c) Through State fiscal year 1995: The total employer contribution shall be apportioned among the various funds of the State and other employers, whether trust, federal, or other funds, in accordance with actuarial procedures approved by the Board. State of Illinois contributions for employers receiving State appropriations for personal services shall be payable from appropriations made to the employers or to the System. The contributions for Class I community colleges covering earnings other than those paid from trust and federal funds, shall be payable solely from appropriations to the Illinois Community College Board or the System for employer contributions.

(d) Beginning in State fiscal year 1996, the required State contributions to the System shall be appropriated directly to the System and shall be payable through vouchers issued in accordance with subsection (c) of Section 15-165, except as provided in subsection (g).

(e) The State Comptroller shall draw warrants payable to the System upon proper certification by the System or by the employer in accordance with the appropriation laws and this Code.

(f) Normal costs under this Section means liability for pensions and other benefits which accrues to the System because of the credits earned for service rendered by the participants during the fiscal year and expenses of administering the System, but shall not include the principal of or any redemption premium or interest on any bonds issued by the Board or any expenses incurred or deposits required in connection therewith.

(g) If the amount of a participant's earnings for any academic year used to determine the final rate of earnings, determined on a full-time equivalent basis, exceeds the amount of his or her earnings with the same employer for the previous academic year, determined on a full-time equivalent basis, by more than 6%, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in earnings that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.

Whenever it determines that a payment is or may be required under this subsection (g), the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (h) or (i) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of subsection (h) or (i). Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (f) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(h) This subsection (h) applies only to payments made or salary increases given on or after June 1,

2005 but before July 1, 2011. The changes made by Public Act 94-1057 shall not require the System to refund any payments received before July 31, 2006 (the effective date of Public Act 94-1057).

When assessing payment for any amount due under subsection (g), the System shall exclude earnings increases paid to participants under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005.

When assessing payment for any amount due under subsection (g), the System shall exclude earnings increases paid to a participant at a time when the participant is 10 or more years from retirement eligibility under Section 15-135.

When assessing payment for any amount due under subsection (g), the System shall exclude earnings increases resulting from overload work, including a contract for summer teaching, or overtime when the employer has certified to the System, and the System has approved the certification, that: (i) in the case of overloads (A) the overload work is for the sole purpose of academic instruction in excess of the standard number of instruction hours for a full-time employee occurring during the academic year that the overload is paid and (B) the earnings increases are equal to or less than the rate of pay for academic instruction computed using the participant's current salary rate and work schedule; and (ii) in the case of overtime, the overtime was necessary for the educational mission.

When assessing payment for any amount due under subsection (g), the System shall exclude any earnings increase resulting from (i) a promotion for which the employee moves from one classification to a higher classification under the State Universities Civil Service System, (ii) a promotion in academic rank for a tenured or tenure-track faculty position, or (iii) a promotion that the Illinois Community College Board has recommended in accordance with subsection (k) of this Section. These earnings increases shall be excluded only if the promotion is to a position that has existed and been filled by a member for no less than one complete academic year and the earnings increase as a result of the promotion is an increase that results in an amount no greater than the average salary paid for other similar positions.

(i) When assessing payment for any amount due under subsection (g), the System shall exclude any salary increase described in subsection (h) of this Section given on or after July 1, 2011 but before July 1, 2014 under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005 but before July 1, 2011. Notwithstanding any other provision of this Section, any payments made or salary increases given after June 30, 2014 shall be used in assessing payment for any amount due under subsection (g) of this Section.

(j) The System shall prepare a report and file copies of the report with the Governor and the General Assembly by January 1, 2007 that contains all of the following information:

(1) The number of recalculations required by the changes made to this Section by Public Act 94-1057 for each employer.

(2) The dollar amount by which each employer's contribution to the System was changed due to recalculations required by Public Act 94-1057.

(3) The total amount the System received from each employer as a result of the changes made to this Section by Public Act 94-4.

(4) The increase in the required State contribution resulting from the changes made to this Section by Public Act 94-1057.

(k) The Illinois Community College Board shall adopt rules for recommending lists of promotional positions submitted to the Board by community colleges and for reviewing the promotional lists on an annual basis. When recommending promotional lists, the Board shall consider the similarity of the positions submitted to those positions recognized for State universities by the State Universities Civil Service System. The Illinois Community College Board shall file a copy of its findings with the System. The System shall consider the findings of the Illinois Community College Board when making determinations under this Section. The System shall not exclude any earnings increases resulting from a promotion when the promotion was not submitted by a community college. Nothing in this subsection (k) shall require any community college to submit any information to the Community College Board.

(l) Notwithstanding this Code or any other law to the contrary, the Board must ensure that at least 19% of the proceeds from the issuance of general obligation bonds under the General Obligation Bond Act authorized by this amendatory Act of the 95th General Assembly are invested through qualified investment advisers who are a "minority owned business" or a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 94-1057, eff. 7-31-06; 95-331, eff. 8-21-07.)

(40 ILCS 5/15-165) (from Ch. 108 1/2, par. 15-165)

Sec. 15-165. To certify amounts and submit vouchers.

(a) The Board shall certify to the Governor on or before November 15 of each year the appropriation required from State funds for the purposes of this System for the following fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before July 1, 2008, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2009, taking into account the changes in required State contributions made by this amendatory Act of the 95th General Assembly.

(b) The Board shall certify to the State Comptroller or employer, as the case may be, from time to time, by its president and secretary, with its seal attached, the amounts payable to the System from the various funds.

(c) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (b) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(d) So long as the payments received are the full amount lawfully vouchered under this Section, payments received by the System under this Section shall be applied first toward the employer contribution to the self-managed plan established under Section 15-158.2. Payments shall be applied second toward the employer's portion of the normal costs of the System, as defined in subsection (f) of Section 15-155. The balance shall be applied toward the unfunded actuarial liabilities of the System.

(e) In the event that the System does not receive, as a result of legislative enactment or otherwise, payments sufficient to fully fund the employer contribution to the self-managed plan established under Section 15-158.2 and to fully fund that portion of the employer's portion of the normal costs of the System, as calculated in accordance with Section 15-155(a-1), then any payments received shall be applied proportionately to the optional retirement program established under Section 15-158.2 and to the employer's portion of the normal costs of the System, as calculated in accordance with Section 15-155(a-1).

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4, eff. 6-1-05.)

(40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

Sec. 16-158. Contributions by State and other employing units.

(a) The State shall make contributions to the System by means of appropriations from the Common School Fund and other State funds of amounts which, together with other employer contributions, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (b-3).

(a-1) Annually, on or before November 15, the Board shall certify to the Governor the amount of the required State contribution for the coming fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts

appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before July 1, 2008, the board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2009, taking into account the changes in required contributions made by this amendatory Act of the 95th General Assembly.

(b) Through State fiscal year 1995, the State contributions shall be paid to the System in accordance with Section 18-7 of the School Code.

(b-1) Beginning in State fiscal year 1996, on the 15th day of each month, or as soon thereafter as may be practicable, the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a-1). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (a) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this subsection, the difference shall be paid from the Common School Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(b-2) Allocations from the Common School Fund apportioned to school districts not coming under this System shall not be diminished or affected by the provisions of this Article.

(b-3) Except as otherwise provided in this Section, the ~~For State fiscal years 2011 through 2045, the~~ minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2034, as ~~2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be~~ determined under the projected unit credit actuarial cost method.

~~For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a), and notwithstanding any contrary certification made under subsection (a-1) before the effective date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY 2003; and 13.56% in FY 2004.~~

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is $534,627,700.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is $738,014,500.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2009 is $1,194,588,000, less that percentage of estimated fiscal year 2009 debt service payable on bonds authorized by this amendatory Act of the 95th General Assembly that is attributable to the percentage of bond proceeds received by the System.

For each of State fiscal years 2010 ~~2008~~ through 2038 ~~2010~~, the State contribution to the System, ~~as a percentage of the applicable employee payroll,~~ shall be increased in an ~~equal~~ annual amount equal to the increase from the required State contribution from the preceding fiscal year, and this increase shall be increased by 3% each year ~~increments from the required State contribution for State fiscal year 2007~~, so that by State fiscal year 2038 ~~2011~~, the State is contributing at the rate otherwise required under this Section. If in any year this specified payment, when actuarially projected forward, should not be sufficient to achieve 90% funding by 2038, then that year's contribution shall be the amount necessary when taken as a level dollar increase, increased by 3% each year, to achieve 90% funding by 2038.

Beginning in State fiscal year 2039 or the fiscal year following that fiscal year during which 90% funding is achieved, the minimum State contribution for each fiscal year shall be the amount determined by the System to be sufficient to accumulate total System assets equal to 90% of the total actuarial liabilities of the System over 30 years. In making these determinations, the required State contribution shall be calculated each year as a level percentage of employee payroll over 30 years and shall be determined under the project unit credit actuarial cost method. ~~2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.~~

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and for fiscal year 2010 and each fiscal year thereafter, as calculated under this Section and certified under subsection (a-1), shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. ~~In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.~~

(c) Payment of the required State contributions and of all pensions, retirement annuities, death benefits, refunds, and other benefits granted under or assumed by this System, and all expenses in connection with the administration and operation thereof, are obligations of the State.

If members are paid from special trust or federal funds which are administered by the employing unit, whether school district or other unit, the employing unit shall pay to the System from such funds the full accruing retirement costs based upon that service, as determined by the System. Employer contributions, based on salary paid to members from federal funds, may be forwarded by the distributing agency of the State of Illinois to the System prior to allocation, in an amount determined in accordance with guidelines established by such agency and the System.

(d) Effective July 1, 1986, any employer of a teacher as defined in paragraph (8) of Section 16-106 shall pay the employer's normal cost of benefits based upon the teacher's service, in addition to employee contributions, as determined by the System. Such employer contributions shall be forwarded monthly in accordance with guidelines established by the System.

However, with respect to benefits granted under Section 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8) of Section 16-106, the employer's contribution shall be 12% (rather than 20%) of the member's highest annual salary rate for each year of creditable service granted, and the employer shall also pay the required employee contribution on behalf of the teacher. For the purposes of Sections 16-133.4 and 16-133.5, a teacher as defined in paragraph (8) of Section 16-106 who is serving in that capacity while on leave of absence from another employer under this Article shall not be considered an employee of the employer from which the teacher is on leave.

(e) Beginning July 1, 1998, every employer of a teacher shall pay to the System an employer contribution computed as follows:

(1) Beginning July 1, 1998 through June 30, 1999, the employer contribution shall be equal to 0.3% of each teacher's salary.

(2) Beginning July 1, 1999 and thereafter, the employer contribution shall be equal to 0.58% of each teacher's salary.

The school district or other employing unit may pay these employer contributions out of any source of funding available for that purpose and shall forward the contributions to the System on the schedule established for the payment of member contributions.

These employer contributions are intended to offset a portion of the cost to the System of the increases in retirement benefits resulting from this amendatory Act of 1998.

Each employer of teachers is entitled to a credit against the contributions required under this subsection (e) with respect to salaries paid to teachers for the period January 1, 2002 through June 30, 2003, equal to the amount paid by that employer under subsection (a-5) of Section 6.6 of the State Employees Group Insurance Act of 1971 with respect to salaries paid to teachers for that period.

The additional 1% employee contribution required under Section 16-152 by this amendatory Act of 1998 is the responsibility of the teacher and not the teacher's employer, unless the employer agrees, through collective bargaining or otherwise, to make the contribution on behalf of the teacher.

If an employer is required by a contract in effect on May 1, 1998 between the employer and an employee organization to pay, on behalf of all its full-time employees covered by this Article, all mandatory employee contributions required under this Article, then the employer shall be excused from paying the employer contribution required under this subsection (e) for the balance of the term of that contract. The employer and the employee organization shall jointly certify to the System the existence of the contractual requirement, in such form as the System may prescribe. This exclusion shall cease upon the termination, extension, or renewal of the contract at any time after May 1, 1998.

(f) If the amount of a teacher's salary for any school year used to determine final average salary exceeds the member's annual full-time salary rate with the same employer for the previous school year by more than 6%, the teacher's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in salary that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. If a teacher's salary for the 2005-2006 school year is used to determine final average salary under this subsection (f), then the changes made to this subsection (f) by Public Act 94-1057 shall apply in calculating whether the increase in his or her salary is in excess of 6%. For the purposes of this Section, change in employment under Section 10-21.12 of the School Code on or after June 1, 2005 shall constitute a change in employer. The System may require the employer to provide any pertinent information or documentation. The changes made to this subsection (f) by this amendatory Act of the 94th General Assembly apply without regard to whether the teacher was in service on or after its effective date.

Whenever it determines that a payment is or may be required under this subsection, the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (g) or (h) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of that subsection. Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (f) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(g) This subsection (g) applies only to payments made or salary increases given on or after June 1, 2005 but before July 1, 2011. The changes made by Public Act 94-1057 shall not require the System to refund any payments received before July 31, 2006 (the effective date of Public Act 94-1057).

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to teachers under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to a teacher at a time when the teacher is 10 or more years from retirement eligibility under Section 16-132 or 16-133.2.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases resulting from overload work, including summer school, when the school district has certified to the System, and the System has approved the certification, that (i) the overload work is for the sole purpose of classroom instruction in excess of the standard number of classes for a full-time teacher in a school district during a school year and (ii) the salary increases are equal to or less than the rate of pay

for classroom instruction computed on the teacher's current salary and work schedule.

When assessing payment for any amount due under subsection (f), the System shall exclude a salary increase resulting from a promotion (i) for which the employee is required to hold a certificate or supervisory endorsement issued by the State Teacher Certification Board that is a different certification or supervisory endorsement than is required for the teacher's previous position and (ii) to a position that has existed and been filled by a member for no less than one complete academic year and the salary increase from the promotion is an increase that results in an amount no greater than the lesser of the average salary paid for other similar positions in the district requiring the same certification or the amount stipulated in the collective bargaining agreement for a similar position requiring the same certification.

When assessing payment for any amount due under subsection (f), the System shall exclude any payment to the teacher from the State of Illinois or the State Board of Education over which the employer does not have discretion, notwithstanding that the payment is included in the computation of final average salary.

(h) When assessing payment for any amount due under subsection (f), the System shall exclude any salary increase described in subsection (g) of this Section given on or after July 1, 2011 but before July 1, 2014 under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005 but before July 1, 2011. Notwithstanding any other provision of this Section, any payments made or salary increases given after June 30, 2014 shall be used in assessing payment for any amount due under subsection (f) of this Section.

(i) The System shall prepare a report and file copies of the report with the Governor and the General Assembly by January 1, 2007 that contains all of the following information:

(1) The number of recalculations required by the changes made to this Section by Public Act 94-1057 for each employer.

(2) The dollar amount by which each employer's contribution to the System was changed due to recalculations required by Public Act 94-1057.

(3) The total amount the System received from each employer as a result of the changes made to this Section by Public Act 94-4.

(4) The increase in the required State contribution resulting from the changes made to this Section by Public Act 94-1057.

(j) Notwithstanding this Code or any other law to the contrary, the Board must ensure that at least 19% of the proceeds from the issuance of general obligation bonds under the General Obligation Bond Act authorized by this amendatory Act of the 95th General Assembly are invested through qualified investment advisers who are a "minority owned business" or a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 94-1057, eff. 7-31-06; 94-1111, eff. 2-27-07; 95-331, eff. 8-21-07.)

(40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

Sec. 18-131. Financing; employer contributions.

(a) The State of Illinois shall make contributions to this System by appropriations of the amounts which, together with the contributions of participants, net earnings on investments, and other income, will meet the costs of maintaining and administering this System on a 90% funded basis in accordance with actuarial recommendations.

(b) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the prescribed rate of interest, using the formula in subsection (c).

(c) Except as otherwise provided in this Section, the ~~For State fiscal years 2011 through 2045, the~~ minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2034, as ~~2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be~~ determined under the projected unit credit actuarial cost method.

~~For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.~~

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is $29,189,400.

Notwithstanding any other provision of this Article, the total required State contribution for State

fiscal year 2007 is $35,236,800.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2009 is $51,931,000, less that percentage of estimated fiscal year 2009 debt service payable on bonds authorized by this amendatory Act of the 95th General Assembly that is attributable to the percentage of bond proceeds received by the System.

For each of State fiscal years 2010 ~~2008~~ through 2038 ~~2010~~, the State contribution to the System~~, as a percentage of the applicable employee payroll,~~ shall be increased in an ~~equal~~ annual amount equal to the increase from the required State contribution from the preceding fiscal year, and this increase shall be increased by 3% each year ~~increments from the required State contribution for State fiscal year 2007~~, so that by State fiscal year 2038 ~~2011~~, the State is contributing at the rate otherwise required under this Section. If in any year this specified payment, when actuarially projected forward, should not be sufficient to achieve 90% funding by 2038, then that year's contribution shall be the amount necessary when taken as a level dollar increase, increased by 3% each year, to achieve 90% funding by 2038.

Beginning in State fiscal year 2039 or the fiscal year following that fiscal year during which 90% funding is achieved, the minimum State contribution for each fiscal year shall be the amount determined by the System to be sufficient to accumulate total System assets equal to 90% of the total actuarial liabilities of the System over 30 years. In making these determinations, the required State contribution shall be calculated each year as a level percentage of employee payroll over 30 years and shall be determined under the project unit credit actuarial cost method. ~~2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.~~

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and for fiscal year 2010 and each fiscal year thereafter, as calculated under this Section and certified under Section 18-140, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. ~~In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.~~

(Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05; 94-839, eff. 6-6-06.)

(40 ILCS 5/18-140) (from Ch. 108 1/2, par. 18-140)

Sec. 18-140. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor, on or before November 15 of each year, the amount of the required State contribution to the System for the following fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before July 1, 2008, the board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2009, taking into account the changes in required contributions made by this amendatory Act of the 95th General Assembly.

(b) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (c) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(c) Notwithstanding this Code or any other law to the contrary, the Board must ensure that at least 19% of the proceeds from the issuance of general obligation bonds under the General Obligation Bond Act authorized by this amendatory Act of the 95th General Assembly are invested through qualified investment advisers who are a "minority owned business" or a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4, eff. 6-1-05.)

Section 99. Effective date. This Act takes effect upon becoming law.".

And on that motion, a call of the roll was had resulting as follows:

Yeas 36; Nays 21.

The following voted in the affirmative:

Clayborne	Garrett	Lightford	Steans
Collins	Haine	Link	Sullivan
Cronin	Halvorson	Maloney	Trotter
Crotty	Harmon	Martinez	Viverito
Cullerton	Hendon	Meeks	Wilhelmi
DeLeo	Holmes	Munoz	Mr. President
Delgado	Hunter	Noland	
Demuzio	Jacobs	Raoul	
Forby	Koehler	Schoenberg	
Frerichs	Kotowski	Silverstein	

The following voted in the negative:

Althoff	Hultgren	Pankau	Sandoval
Bomke	Jones, J.	Peterson	Syverson
Bond	Lauzen	Radogno	Watson
Brady	Luechtefeld	Righter	
Burzynski	Millner	Risinger	
Dahl	Murphy	Rutherford	

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Harmon offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 788

AMENDMENT NO. _2_. Amend Senate Bill 788, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 4, line 26, after the period, by inserting "The investment contract or other investment asset shall be in an amount specified by the Illinois State Board of Investments or state pension system, provide for a guaranteed minimum interest rate, be with an issuer

satisfactory to the Illinois State Board of Investments or state pension system, and have a credit rating of A3 or higher from Moody's Investor Services or A- or higher from Standard & Poor's."; and

on page 17, by replacing lines 22 through 26 with the following:
"Act of the 95th General Assembly are invested through qualified investment advisers who are a "minority owned business" or a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. ~~In determining this~~".

And on that motion, a call of the roll was had resulting as follows:

Yeas 36; Nays 20.

The following voted in the affirmative:

Clayborne	Haine	Link	Steans
Collins	Halvorson	Luechtefeld	Sullivan
Crotty	Harmon	Maloney	Trotter
Cullerton	Hendon	Martinez	Viverito
DeLeo	Holmes	Meeks	Wilhelmi
Delgado	Hunter	Munoz	Mr. President
Demuzio	Jacobs	Noland	
Forby	Koehler	Raoul	
Frerichs	Kotowski	Schoenberg	
Garrett	Lightford	Silverstein	

The following voted in the negative:

Althoff	Hultgren	Peterson	Syverson
Bomke	Jones, J.	Radogno	Watson
Bond	Lauzen	Righter	
Brady	Millner	Risinger	
Burzynski	Murphy	Rutherford	
Dahl	Pankau	Sandoval	

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

Senator Luechtefeld asked and obtained unanimous consent for the Journal to reflect his negative vote on **Amendment No. 2 to Senate Bill 788.**

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 788**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Senators Risinger, J. Jones and Dahl requested a Republican caucus.

The Chair stated that the bill has already been read into the record and the caucus may meet upon conclusion of **Senate Bill No. 788**.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

Yeas 37; Nays 21.

The following voted in the affirmative:

Bond	Garrett	Lightford	Silverstein
Clayborne	Haine	Link	Steans
Collins	Halvorson	Maloney	Sullivan

Crotty	Harmon	Martinez	Trotter
Cullerton	Hendon	Meeks	Viverito
DeLeo	Holmes	Munoz	Wilhelmi
Delgado	Hunter	Noland	Mr. President
Demuzio	Jacobs	Raoul	
Forby	Koehler	Sandoval	
Frerichs	Kotowski	Schoenberg	

The following voted in the negative:

Althoff	Dillard	Murphy	Rutherford
Bomke	Hultgren	Pankau	Syverson
Brady	Jones, J.	Peterson	Watson
Burzynski	Lauzen	Radogno	
Cronin	Luechtefeld	Righter	
Dahl	Millner	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

At the hour of 4:08 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair for the purpose of a Republican caucus.

AFTER RECESS

At the hour of 4:48 o'clock p.m., the Senate resumed consideration of business.

Senator Martinez, presiding.

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1869

A bill for AN ACT concerning regulation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1869

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1869

AMENDMENT NO. 1. Amend Senate Bill 1869 on page 3, by replacing lines 21 through 23 with the following:

"For initial renewal, the visiting professor must successfully pass a general competency examination authorized by the Department by rule, unless he or she was issued an initial visiting professor permit on or after January 1, 2007, but prior to July 1, 2007.".

Under the rules, the foregoing **Senate Bill No. 1869**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1900

A bill for AN ACT concerning insurance.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1900

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1900

AMENDMENT NO. 1. Amend Senate Bill 1900 on page 8, immediately below line 7, by inserting the following:

"(j) Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 1900**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1927

A bill for AN ACT concerning agriculture.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1927

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1927

AMENDMENT NO. 1. Amend Senate Bill 1927 on page 4, immediately below line 26, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute

where such authority is not otherwise explicitly given. For the purposes of this paragraph, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 1927**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 887

A bill for AN ACT concerning regulation.

SENATE BILL NO. 993

A bill for AN ACT concerning transportation.

SENATE BILL NO. 1881

A bill for AN ACT concerning criminal law.

SENATE BILL NO. 1887

A bill for AN ACT concerning criminal law.

Passed the House, May 29, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1115

A bill for AN ACT concerning appropriations.

Passed the House, May 29, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1930

A bill for AN ACT concerning transportation.

SENATE BILL NO. 1975

A bill for AN ACT concerning criminal law.

SENATE BILL NO. 1984

A bill for AN ACT concerning agriculture.

SENATE BILL NO. 2023

A bill for AN ACT to revise the law by combining multiple enactments and making technical corrections.

SENATE BILL NO. 2044

A bill for AN ACT concerning civil law.

Passed the House, May 29, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 4905

A bill for AN ACT concerning public employee benefits.

Passed the House, May 29, 2008.

MARK MAHONEY, Clerk of the House

The foregoing **House Bill No. 4905** was taken up, ordered printed and placed on first reading.

JOINT ACTION MOTIONS FILED

The following Joint Action Motion to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendment 1 to Senate Bill 1869
Motion to Concur in House Amendment 1 to Senate Bill 1920

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

EMIL JONES, JR.
SENATE PRESIDENT

327 STATE CAPITOL
Springfield, Illinois 62706

May 29, 2008

Ms. Deborah Shipley
Secretary of the Senate
401 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to the provisions on Senate Rule 2-10, I hereby establish May 31, 2008 as the Third Reading deadline for Senate Bill 1013.

Sincerely,
s/Emil Jones, Jr.
Senate President

cc: Senate Minority Leader Frank Watson

SENATE BILL RECALLED

On motion of Senator Schoenberg, **Senate Bill No. 790** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 1 was held in the Committee on Rules.

Senator Schoenberg offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 790

AMENDMENT NO. 2. Amend Senate Bill 790 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This amendatory Act of the 95th General Assembly may be cited as the Federal Transfer Maximization Law of 2008.

Section 5. The State Finance Act is amended by adding Section 8.46 as follows:
(30 ILCS 105/8.46 new)
Sec. 8.46. Transfers to the General Revenue Fund.
(a) Notwithstanding any other State law to the contrary and except as otherwise provided in this Section, the Governor may, beginning on July 1, 2008 and through June 30, 2009, from time to time direct the State Treasurer and State Comptroller to transfer sums specified by the Governor up to a total sum of $530,000,000 from any fund or funds held by the State Comptroller and State Treasurer to the General Revenue Fund in order to help reduce the State's fiscal deficit and preserve the State's ability to meet all of its fiscal obligations. The sums transferred by the Governor to the General Revenue Fund under this Section may be used only to pay Medicaid obligations, State financial obligations that secure federal funds, or obligations of the State Board of Education. In determining the amount of the transfer to the General Revenue Fund, the Governor shall calculate whether the available resources in the fund are sufficient to satisfy the unexpended and unreserved appropriations from the fund for the fiscal year. No transfer may be made from a fund under this Section that would have the effect of reducing the available balance in the fund to an amount less than the amount remaining unexpended and unreserved from the total appropriation from that fund estimated to be expended for that fiscal year. This Section does not apply to any funds that are restricted by federal law to a specific use or are used primarily for the repayment of State indebtedness.
In calculating the available resources in a fund, the Governor may include receipts, transfers into the fund, and other resources anticipated to be available in the fund in that fiscal year.
The State Treasurer and State Comptroller shall transfer the amounts designated under this Section as soon as may be practicable after receiving the direction to transfer from the Governor.
(b) On and after July 1, 2008 and through June 30, 2009, when any of the funds subject to the transfers made pursuant to subsection (a) have insufficient cash from which the State Comptroller may make expenditures properly supported by appropriations from the fund, the Governor may direct the State Comptroller and the State Treasurer to reverse the transfers previously authorized by subsection (a) to the General Revenue Fund and retransfer from the General Revenue Fund, if applicable, all or a portion of the transfers made pursuant to subsection (a). The Governor may further direct from time to time that all or a portion of the amounts transferred from the General Revenue Fund to a fund pursuant to this subsection (b) be re-transferred by the State Comptroller and the State Treasurer from the receiving fund into the General Revenue Fund as soon as and to the extent that deposits are made into or receipts are collected by the receiving fund.
(c) No transfers may be made under this Section to the General Revenue Fund from any of the following funds:
(1) The Road Fund.
(2) The Open Space Lands Acquisition and Development Fund (OSLAD).
(3) Metabolic Screening and Treatment Fund.
(4) The Illinois Veterans' Homes Fund.
(5) The Illinois Veterans Assistance Fund.
(6) The LaSalle Veterans Home Fund.
(7) The Anna Veterans Home Fund.
(8) The GI Education Fund.
(9) The Quincy Veterans Home Fund.
(10) The Illinois Military Family Relief Fund.
(11) The Veterans' Affairs Federal Projects Fund.
(12) The Manteno Veterans Home Fund.
(13) The Veterans' Affairs Library Grant Fund.
(14) The Veterans' Affairs State Projects Fund.
(15) The Military Affairs Trust Fund.
(16) The Federal Support Agreement Revolving Fund.
(17) The Illinois Veterans' Rehabilitation Fund.
(18) The Armory Rental Fund.
(19) The State Construction Account Fund.
(20) The Motor Fuel Tax Fund.
(21) The Teachers' Health Insurance Security Fund.

(22) College Savings Pool Administrative Trust Fund.
(23) State Pensions Fund.
(24) Community College Health Insurance Security Fund.
(25) Downstate Public Transportation Fund.
(26) Regional Transportation Authority Occupation and Use Tax Replacement Fund.

Section 99. Effective date. This Act takes effect upon becoming law.".

Senator Hendon had inquiry of the Chair as to how many votes are needed for passage of the amendment.

The Chair stated a simple majority is needed for passage of the amendment.

And on that motion, a call of the roll was had resulting as follows:

Yeas 36; Nays 21; Present 1.

The following voted in the affirmative:

Bond	Garrett	Lightford	Steans
Clayborne	Haine	Link	Sullivan
Collins	Halvorson	Maloney	Trotter
Crotty	Harmon	Martinez	Viverito
Cullerton	Hendon	Meeks	Wilhelmi
DeLeo	Holmes	Munoz	Mr. President
Delgado	Hunter	Noland	
Demuzio	Jacobs	Raoul	
Forby	Koehler	Schoenberg	
Frerichs	Kotowski	Silverstein	

The following voted in the negative:

Althoff	Dillard	Murphy	Rutherford
Bomke	Hultgren	Pankau	Syverson
Brady	Jones, J.	Peterson	Watson
Burzynski	Lauzen	Radogno	
Cronin	Luechtefeld	Righter	
Dahl	Millner	Risinger	

The following voted present:

Sandoval

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Schoenberg offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO SENATE BILL 790

AMENDMENT NO. _3__. Amend Senate Bill 790, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 2, on page 4, immediately below line 22, by inserting the following:

"(27) The Cycle Rider Safety Training Fund.
(28) The Public Transportation Fund.
(29) The Rental Housing Support Program Fund.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 2 and 3 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

PARLIAMENTARY INQUIRY

Senator Rutherford stated he had filed a fiscal note request at the conclusion of the adoption of Floor Amendment No. 2 and prior to the bill having been moved to third reading. He further stated that per Illinois State Sate Statute 25 ILCS/50, the Fiscal Note Act requires the opportunity to have a note filed by an appropriate state agency, and that the bill cannot be moved to third reading until the fiscal note has been filed. He further requested the bill be moved back to second reading and retained there until the fiscal note is properly filed.

The Chair stated that it has been the practice of the Senate to not allow a note request to hold up the progression of a member's legislation during a deadline week.

Senator Rutherford appealed the ruling of the Chair and requested a roll call vote.

The Chair stated that no ruling was made; that it was a statement of the practice of the Senate.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Schoenberg, **Senate Bill No. 790**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Senator Maloney moved the previous question.

Senator Rutherford requested a roll call vote on Senator Maloney's motion to move the previous question.

The Chair stated that the question being, "Shall the main question now be put?" a call of the roll would be had as follows:

Yeas 36; Nays 21; Present 1.

The following voted in the affirmative:

Bond	Garrett	Lightford	Steans
Clayborne	Haine	Link	Sullivan
Collins	Halvorson	Maloney	Trotter
Crotty	Harmon	Martinez	Viverito
Cullerton	Hendon	Meeks	Wilhelmi
DeLeo	Holmes	Munoz	Mr. President
Delgado	Hunter	Noland	
Demuzio	Jacobs	Raoul	
Forby	Koehler	Schoenberg	
Frerichs	Kotowski	Silverstein	

The following voted in the negative:

Althoff	Dillard	Murphy	Rutherford
Bomke	Hultgren	Pankau	Syverson
Brady	Jones, J.	Peterson	Watson
Burzynski	Lauzen	Radogno	
Cronin	Luechtefeld	Righter	
Dahl	Millner	Risinger	

The following voted present:

Sandoval

The motion prevailed.

The Chair stated that according to Rule 7-8, the motion shall bring all debate to a close and an immediate vote be taken.

And the question then being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 37; Nays 21.

The following voted in the affirmative:

Bond	Garrett	Lightford	Silverstein
Clayborne	Haine	Link	Steans
Collins	Halvorson	Maloney	Sullivan
Crotty	Harmon	Martinez	Trotter
Cullerton	Hendon	Meeks	Viverito
DeLeo	Holmes	Munoz	Wilhelmi
Delgado	Hunter	Noland	Mr. President
Demuzio	Jacobs	Raoul	
Forby	Koehler	Sandoval	
Frerichs	Kotowski	Schoenberg	

The following voted in the negative:

Althoff	Dillard	Murphy	Rutherford
Bomke	Hultgren	Pankau	Syverson
Brady	Jones, J.	Peterson	Watson
Burzynski	Lauzen	Radogno	
Cronin	Luechtefeld	Righter	
Dahl	Millner	Risinger	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Haine, **Senate Bill No. 836** was recalled from the order of third reading to the order of second reading.

Senator Haine offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 836

AMENDMENT NO. 1. Amend Senate Bill 836 by replacing everything after the enacting clause with the following:

"Section 5. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Flood Prevention District Act is amended by changing Sections 5, 10, 20, 25, 30, 35, 40, 45, and 50 as follows:

(S.B. 2052eng, 95th G.A., Sec. 5)

Sec. 5. Creation; purpose.

(a) Madison, Monroe, and St. Clair Counties may each be designated independently and separately as a flood prevention district for the purpose of performing emergency levee repair and flood prevention in order to prevent the loss of life or property. The county board of any such county may declare an emergency and create a flood prevention district by the affirmative vote of the majority of the members of the county board.

(b) Two or more flood prevention districts may join together through an intergovernmental agreement to provide any services described in this Act, to construct, reconstruct, repair, or otherwise provide any facilities described in this Act either within or outside of any district's corporate limits, to issue bonds, notes, or other evidences of indebtedness, to pledge the taxes authorized to be imposed pursuant to Section 25 of this Act to the obligations of any other district, and to exercise any other power authorized in this Act, pursuant to the Intergovernmental Cooperation Act.

(c) Any district created under this Act shall be dissolved upon the later of (i) 25 years after the date the district is created or (ii) the payment of all obligations of the district issued under Section 20 of this Act and the payment of any federal reimbursement moneys to the county treasurer under Section 30 of this Act. A district may be dissolved earlier by its board of commissioners if all federal reimbursement moneys have been paid to the county treasurer and all obligations of the district have been paid,

including its obligations related to bonds issued under Section 20 of this Act and any obligations incurred pursuant to an intergovernmental agreement.
(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 10)

Sec. 10. Commissioners. The affairs of the district shall be managed by a board of 3 commissioners who shall be appointed by the chairman of the county board of the county in which the district is situated. All initial appointments under this Section must be made within 90 days after the district is organized. Of the initial appointments, one commissioner shall serve for a one-year term, one commissioner shall serve for a 2-year term, and one commissioner shall serve for a 3-year term, as determined by lot. Their successors shall be appointed for 3-year terms. A commissioner shall continue to serve as commissioner until his or her successor is duly appointed. No commissioner may serve for more than 20 years. All appointments must be made so that no more than 2 commissioners are from the same political party at the time of the appointment. With respect to appointments representing the minority party in the county, the minority party members of the county board may submit names for consideration to the chairman of the county board. Each commissioner must be a legal voter in the district, and at least one commissioner shall reside or own property that is located within a floodplain situated in the territory of the flood protection district. Commissioners shall serve without compensation, but may be reimbursed for reasonable expenses incurred in the performance of their duties.
(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 20)

Sec. 20. Powers of the district. A district formed under this Act shall have the following powers:

(1) To sue or be sued.

(2) To apply for and accept gifts, grants, and loans from any public agency or private entity.

(3) To enter into intergovernmental agreements to further ensure levee repair, levee construction or reconstruction, and flood prevention, within or outside of the district's corporate limits, including agreements with the United States Army Corps of Engineers or any other agency or department of the federal government.

(4) To undertake evaluation, planning, design, construction, and related activities that are determined to be urgently needed to stabilize, repair, restore, improve, or replace existing levees and other flood control systems located within or outside of the district's corporate limits.

(5) To address underseepage problems and old and deteriorating pumps, gates, pipes, electrical controls, and other infrastructure within or outside of the district's corporate limits.

(6) To conduct evaluations of levees and other flood control facilities that protect urban areas, including the performance of floodplain mapping studies.

(7) To provide capital moneys for levee or river-related scientific studies, within or outside of the district's corporate limits, including the construction of facilities for such purposes.

(8) To borrow money or receive money from the United States Government or any agency thereof, or from any other public or private source, for the purposes of the District and to issue indebtedness, including bonds, notes, or other evidences of indebtedness to evidence such borrowing, and to pledge and use some or all of the taxes imposed pursuant to Section 25 of this Act for the repayment of the indebtedness of the District or any other flood prevention districts. The District shall direct the county to use moneys in the County Flood Prevention Occupation Tax Fund to pay such indebtedness.

(9) To enter into agreements with private property owners.

(10) To issue revenue bonds, notes, or other evidences of indebtedness payable from revenue received from a ~~retailers' occupation~~ tax imposed under Section 25 of this Act, and from any other revenue sources available to the flood prevention district. These bonds may be issued with maturities not exceeding 25 years from the date of the bonds, and in such amounts as may be necessary to provide sufficient funds, together with interest, for the purposes of the District. These bonds shall bear interest at a rate of not more than the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, payable semi-annually, may be made registerable as to principal, and may be made payable and callable as provided on any date at a price of par and accrued interest under such terms and conditions as may be fixed by the ordinance authorizing the issuance of the bonds. Bonds issued under this Section are negotiable instruments. In case any officer whose signature appears on the bonds or coupons ceases to hold that office before the bonds are delivered, such officer's signature shall nevertheless be valid and sufficient for all purposes the same as though such officer had remained in office until the bonds were

delivered. The bonds shall be sold in such manner and upon such terms as the board of commissioners shall determine, except that the selling price shall be such that the interest cost to the District on ~~of~~ the proceeds of the bonds shall not exceed the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, payable semi-annually, computed to maturity according to the standard table of bond values. Bonds issued by the District shall not be considered indebtedness for purposes of any statutory limitation and may be issued in an amount or amounts, including existing indebtedness, in excess of any heretofore or hereafter imposed statutory limitation as to indebtedness. A request to issue revenue bonds by the District ~~Commission~~ must be submitted for approval to the county board of the county in which the district is situated. The county board has 30 calendar days to approve the issuance of such bonds. If the county board does not approve or disapprove the issuance of the bonds within 30 calendar days after the receipt of such request, the request shall be deemed approved. The District shall direct the county to use moneys in the County Flood Prevention Occupation Tax Fund to pay for bonds issued.

(11) To acquire property by gift, grant, or eminent domain, in accordance with the Eminent Domain Act. Any action by the District to acquire property by eminent domain requires the express approval of the county board.

(12) To retain professional staff to carry out the functions of the District. Any flood prevention district shall employ a Chief Supervisor of Construction and the Works with appropriate professional qualifications, including a degree in engineering, construction, hydrology, or a related field, or an equivalent combination of education and experience. The Chief Supervisor of Construction and the Works shall be vested with the authority to carry out the duties and mission of the Flood Prevention District, pursuant to the direction and supervision of the Board of Commissioners. The Chief Supervisor of Construction and the Works may hire additional staff as necessary to carry out the duties and mission of the district, including administrative support personnel. Two or more districts may, through an intergovernmental agreement, share the services of a Chief Supervisor of Construction and the Works, support staff, or both. If 2 districts are adjoining and share a common federal levee, they must retain the services of the same person as Chief Supervisor of Construction and the Works.

(13) To conduct an audit of any drainage, levee, or sanitary district within the territory of the flood prevention district.

(14) To reimburse any county for costs advanced by the county before the formation of a flood prevention district if the funds were used for any purpose permitted under this Act.

(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 25)

Sec. 25. Flood prevention retailers' and service occupation taxes ~~Retailers' occupation tax~~.

(a) If the Board of Commissioners of a flood prevention district determines that an emergency situation exists regarding levee repair or flood prevention, and upon an ordinance confirming the determination ~~or resolution~~ adopted by the affirmative vote of a majority of the members of the county board of the county in which the district is situated, the county ~~it~~ may impose a flood prevention retailers' occupation tax upon all persons engaged in the business of selling tangible personal property at retail within the territory of the district to provide revenue to pay the costs of providing emergency levee repair and flood prevention and to secure the payment of bonds, notes, and other evidences of indebtedness issued under this Act for a period not to exceed 25 years or as required to repay the bonds, notes, and other evidences of indebtedness issued under this Act ~~issued pursuant to Section 20 of this Act~~. The tax rate shall be 0.25% of the gross receipts from all taxable sales made in the course of that business. The tax imposed under this Section and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The Department shall have full power to administer and enforce this Section; to collect all taxes and penalties so collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty hereunder.

In the administration of and compliance with this subsection, the Department and persons who are subject to this subsection (i) have the same rights, remedies, privileges, immunities, powers, and duties, (ii) are subject to the same conditions, restrictions, limitations, penalties, and definitions of terms, and (iii) shall employ the same modes of procedure as are set forth in Sections 1 through 1o, 2 through 2-70 (in respect to all provisions contained in those Sections other than the State rate of tax), 2a through 2h, 3 (except as to the disposition of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and all provisions of the Uniform Penalty and Interest Act as if those provisions were set forth in this subsection.

Persons subject to any tax imposed under this Section may reimburse themselves for their seller's tax

liability hereunder by separately stating the tax as an additional charge, which charge may be stated in combination in a single amount with State taxes that sellers are required to collect under the Use Tax Act, under any bracket schedules the Department may prescribe.

If a tax is imposed under this subsection (a), a tax shall also be imposed under subsection (b) of this Section.

(b) If a tax has been imposed under subsection (a), a flood prevention service occupation tax shall also be imposed upon all persons engaged within the territory of the district ~~engaged~~ in the business of making sales of service, who, as an incident to making the sales of service, transfer tangible personal property ~~within the territory of the district~~, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service to provide revenue to pay the costs of providing emergency levee repair and flood prevention and to secure the payment of bonds, notes, and other evidences of indebtedness issued under this Act for a period not to exceed 25 years or as required to repay the bonds, notes, and other evidences of indebtedness. The tax rate shall be 0.25% of the selling price of all tangible personal property transferred.

The tax imposed under this subsection and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The Department shall have full power to administer and enforce this subsection; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty hereunder.

In the administration of and compliance with this subsection, the Department and persons who are subject to this subsection shall (i) have the same rights, remedies, privileges, immunities, powers, and duties, (ii) be subject to the same conditions, restrictions, limitations, penalties, and definitions of terms, and (iii) employ the same modes of procedure as are set forth in Sections 2 (except that the ~~that~~ reference to State in the definition of supplier maintaining a place of business in this State means the district), 2a through 2d, 3 through 3-50 (in respect to all provisions contained in those Sections other than the State rate of tax), 4 (except that the reference to the State shall be to the district), 5, 7, 8 (except that the jurisdiction to which the tax is a debt to the extent indicated in that Section 8 is the district), 9 (except as to the disposition of taxes and penalties collected), 10, 11, 12 (except the reference therein to Section 2b of the Retailers' Occupation Tax Act), 13 (except that any reference to the State means the district), Section 15, 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and all provisions of the Uniform Penalty and Interest Act, as fully as if those provisions were set forth herein.

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their serviceman's tax liability hereunder by separately stating the tax as an additional charge, that charge may be stated in combination in a single amount with State tax that servicemen are authorized to collect under the Service Use Tax Act, under any bracket schedules the Department may prescribe.

(c) The taxes ~~This additional tax~~ imposed in subsections (a) and (b) may not be imposed on personal property titled or registered with an agency of the State; food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption); prescription and non-prescription medicines, drugs, and medical appliances; modifications to a motor vehicle for the purpose of rendering it usable by a disabled person; or insulin, urine testing materials, and syringes and needles used by diabetics.

(d) Nothing in this Section shall be construed to authorize the district to impose a tax upon the privilege of engaging in any business that under the Constitution of the United States may not be made the subject of taxation by the State.

(e) The certificate of registration that is issued by the Department to a retailer under the Retailers' Occupation Tax Act or a serviceman under the Service Occupation Tax Act permits the retailer or serviceman to engage in a business that is taxable without registering separately with the Department under an ordinance or resolution under this Section.

(f) The Department shall immediately pay over to the State Treasurer, ex officio, as trustee, all taxes and penalties collected under this Section to be deposited into the Flood Prevention Occupation Tax Fund, which shall be an unappropriated trust fund held outside the State treasury.

On or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the ~~that~~ disbursement of stated sums of money to the counties from which retailers or servicemen have paid taxes or penalties to the Department during the second preceding calendar month. The amount to be paid to each county is equal to the amount (not including credit memoranda) collected from the county under this Section during the second preceding calendar month by the Department, (i) less 2% of that amount, which shall be deposited into the Tax Compliance and Administration Fund and shall be used by the Department in administering and enforcing the provisions of this Section on behalf

of the county, (ii) plus an amount that the Department determines is necessary to offset any amounts that were erroneously paid to a different taxing body; (iii) less an amount equal to the amount of refunds made during the second preceding calendar month by the Department on behalf of the county; and (iv) less any amount that the Department determines is necessary to offset any amounts that were payable to a different taxing body but were erroneously paid to the county. When certifying the amount of a monthly disbursement to a county under this Section, the Department shall increase or decrease the amounts by an amount necessary to offset any miscalculation of previous disbursements within the previous 6 months from the time a miscalculation is discovered.

Within 10 days after receipt by the Comptroller from the Department of the disbursement certification to the counties provided for in this Section, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with directions contained in the certification.

If the Department determines that a refund should be made under this Section to a claimant instead of issuing a credit memorandum, then the Department shall notify the Comptroller, who shall cause the order to be drawn for the amount specified and to the person named in the notification from the Department. The refund shall be paid by the Treasurer out of the Flood Prevention Occupation Tax Fund.

(g) If a county ~~flood prevention district board~~ imposes a tax under this Section, then the county board shall, by ordinance, discontinue the tax upon the payment of all ~~bonded~~ indebtedness of the flood prevention district ~~District~~. The tax shall not be discontinued until all ~~bonded~~ indebtedness of the District has been paid.

(h) Any ordinance imposing the tax under this Section, or any ordinance that discontinues the tax, must be certified by the county clerk and filed with the Illinois Department of Revenue either (i) on or before the first day of April, whereupon the Department shall proceed to administer and enforce the tax or change in the rate as of the first day of July next following the filing; or (ii) on or before the first day of October, whereupon the Department shall proceed to administer and enforce the tax or change in the rate as of the first day of January next following the filing.

(j) County Flood Prevention Occupation Tax Fund. All proceeds received by a county from a tax distribution under this Section must be maintained in a special fund known as the [name of county] flood prevention occupation tax fund. The county shall, at the direction of the flood prevention district, use moneys in the fund to pay the costs of providing emergency levee repair and flood prevention and to pay bonds, notes, and other evidence of indebtedness issued under this Act.

(k) ~~(j)~~ This Section may be cited as the Flood Prevention Occupation Tax Law.

(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 30)

Sec. 30. Disbursement of federal funds.

(a) Any reimbursements for the construction of flood protection facilities shall be appropriated to each county flood prevention district in accordance with the location of the specific facility for which the federal appropriation is made.

(b) If there are federal reimbursements to a county flood prevention district for construction of flood protection facilities that were built using the proceeds of bonds, notes, or other evidences of indebtedness ~~revenues~~ authorized by this Act, those funds shall be used for early retirement of such bonds, notes, or other evidences of indebtedness issued in accordance with this Act.

(c) When all bonds, notes, or other evidences of indebtedness ~~bond obligations~~ of the District have been paid, any remaining federal reimbursement moneys

shall be remitted to the county treasurer for deposit into a special fund for the continued long-term maintenance of federal levees and flood protection facilities, pursuant to the direction of the county board.

(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 35)

Sec. 35. Financial audit of the District ~~Commission~~. A financial audit of the District ~~Commission~~ shall be conducted annually by a certified public accountant (CPA) that is licensed at the time of the audit by the Illinois Department of Financial and Professional Regulation. The CPA shall meet all of the general standards concerning qualifications, independence, due professional care, and quality control as required by the Government Auditing Standards, 1994 Revision, Chapter 3, including the requirements for continuing professional education and external peer review. The financial audit is to be performed in accordance with generally accepted auditing standards issued by the American Institute of Certified Public Accountants (AICPA) for field work and reporting, generally accepted government auditing standards (GAGAS) and AICPA Statements on Auditing Standards (SAS) current at the time the audit is commenced. The audit shall be made publicly available and sent to the county board chairman of the

county in which the district is situated and to the Illinois Secretary of State.
(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 40)

Sec. 40. Budget of the District ~~Commission~~. The District ~~Commission~~ shall adopt an annual budget by August 31 of each year for the fiscal year beginning October 1. Such budget shall include expected revenues by source and expenditures by project or by function for the following year. The budget must be approved by the county board of the county in which the district is situated prior to any expenditure by the District ~~Commission~~ for the fiscal year beginning October 1. The county board must approve or disapprove the budget of the District ~~commission~~ within 30 calendar days after the budget is received by the county board. If the county board does not act to approve or disapprove the budget within 30 calendar days of receipt, it shall stand as approved.

In addition, the District ~~Commission~~ shall submit an annual report to the county board by August 31 of each year detailing the activities of the district. This report must also include any information submitted to the flood prevention district by a drainage, levee, or sanitary district in accordance with Section 4-45 of the Illinois Drainage Code or Section 2-2 of the Metro-East Sanitary District Act.
(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 45)

Sec. 45. Procurement. The District ~~Commission~~ shall conduct all procurements in accordance with the requirements of the Local Government Professional Services Selection Act and any competitive bid requirements contained in Section 5-1022 of the Counties Code.
(Source: 95SB2052eng.)

(S.B. 2052eng, 95th G.A., Sec. 50)

Sec. 50. Contracts for construction. A request for any construction contract of more than $10,000 by the District ~~Commission~~ must be submitted for approval to the county board of the county in which the district is situated. The county board has 30 calendar days to approve the construction contract. If the county board does not approve or disapprove the construction contract within 30 calendar days after the receipt of such request, the request shall be deemed approved.
(Source: 95SB2052eng.)

Section 10. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Intergovernmental Cooperation Act is amended by changing Section 3.9 as follows:

(5 ILCS 220/3.9)

Sec. 3.9. Flood prevention. Two or more county flood prevention districts may enter into an intergovernmental agreement to provide any services authorized in the Flood Prevention District Act, to construct, reconstruct, repair, or otherwise provide any facilities described in that Act either within or outside of any district's corporate limits, to issue bonds, notes, or other evidences of indebtedness, to pledge the taxes authorized to be imposed pursuant to Section 25 of that Act to the obligations of any other district, and to exercise any other power authorized in that Act.
(Source: 95SB2052eng.)

Section 20. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Use Tax Act is amended by changing Section 2 as follows:

(35 ILCS 105/2) (from Ch. 120, par. 439.2)

Sec. 2. "Use" means the exercise by any person of any right or power over tangible personal property incident to the ownership of that property, except that it does not include the sale of such property in any form as tangible personal property in the regular course of business to the extent that such property is not first subjected to a use for which it was purchased, and does not include the use of such property by its owner for demonstration purposes: Provided that the property purchased is deemed to be purchased for the purpose of resale, despite first being used, to the extent to which it is resold as an ingredient of an intentionally produced product or by-product of manufacturing. "Use" does not mean the demonstration use or interim use of tangible personal property by a retailer before he sells that tangible personal property. For watercraft or aircraft, if the period of demonstration use or interim use by the retailer exceeds 18 months, the retailer shall pay on the retailers' original cost price the tax imposed by this Act, and no credit for that tax is permitted if the watercraft or aircraft is subsequently sold by the retailer. "Use" does not mean the physical incorporation of tangible personal property, to the extent not first subjected to a use for which it was purchased, as an ingredient or constituent, into other tangible personal property (a) which is sold in the regular course of business or (b) which the person incorporating such ingredient or constituent therein has undertaken at the time of such purchase to cause to be transported in interstate commerce to destinations outside the State of Illinois: Provided that the

property purchased is deemed to be purchased for the purpose of resale, despite first being used, to the extent to which it is resold as an ingredient of an intentionally produced product or by-product of manufacturing.

"Watercraft" means a Class 2, Class 3, or Class 4 watercraft as defined in Section 3-2 of the Boat Registration and Safety Act, a personal watercraft, or any boat equipped with an inboard motor.

"Purchase at retail" means the acquisition of the ownership of or title to tangible personal property through a sale at retail.

"Purchaser" means anyone who, through a sale at retail, acquires the ownership of tangible personal property for a valuable consideration.

"Sale at retail" means any transfer of the ownership of or title to tangible personal property to a purchaser, for the purpose of use, and not for the purpose of resale in any form as tangible personal property to the extent not first subjected to a use for which it was purchased, for a valuable consideration: Provided that the property purchased is deemed to be purchased for the purpose of resale, despite first being used, to the extent to which it is resold as an ingredient of an intentionally produced product or by-product of manufacturing. For this purpose, slag produced as an incident to manufacturing pig iron or steel and sold is considered to be an intentionally produced by-product of manufacturing. "Sale at retail" includes any such transfer made for resale unless made in compliance with Section 2c of the Retailers' Occupation Tax Act, as incorporated by reference into Section 12 of this Act. Transactions whereby the possession of the property is transferred but the seller retains the title as security for payment of the selling price are sales.

"Sale at retail" shall also be construed to include any Illinois florist's sales transaction in which the purchase order is received in Illinois by a florist and the sale is for use or consumption, but the Illinois florist has a florist in another state deliver the property to the purchaser or the purchaser's donee in such other state.

Nonreusable tangible personal property that is used by persons engaged in the business of operating a restaurant, cafeteria, or drive-in is a sale for resale when it is transferred to customers in the ordinary course of business as part of the sale of food or beverages and is used to deliver, package, or consume food or beverages, regardless of where consumption of the food or beverages occurs. Examples of those items include, but are not limited to nonreusable, paper and plastic cups, plates, baskets, boxes, sleeves, buckets or other containers, utensils, straws, placemats, napkins, doggie bags, and wrapping or packaging materials that are transferred to customers as part of the sale of food or beverages in the ordinary course of business.

The purchase, employment and transfer of such tangible personal property as newsprint and ink for the primary purpose of conveying news (with or without other information) is not a purchase, use or sale of tangible personal property.

"Selling price" means the consideration for a sale valued in money whether received in money or otherwise, including cash, credits, property other than as hereinafter provided, and services, but not including the value of or credit given for traded-in tangible personal property where the item that is traded-in is of like kind and character as that which is being sold, and shall be determined without any deduction on account of the cost of the property sold, the cost of materials used, labor or service cost or any other expense whatsoever, but does not include interest or finance charges which appear as separate items on the bill of sale or sales contract nor charges that are added to prices by sellers on account of the seller's tax liability under the "Retailers' Occupation Tax Act", or on account of the seller's duty to collect, from the purchaser, the tax that is imposed by this Act, or, except as otherwise provided with respect to any cigarette tax imposed by a home rule unit, on account of the seller's tax liability under any local occupation tax administered by the Department, or, except as otherwise provided with respect to any cigarette tax imposed by a home rule unit on account of the seller's duty to collect, from the purchasers, the tax that is imposed under any local use tax administered by the Department ~~or on account of the seller's tax liability under Section 8-11-1 of the Illinois Municipal Code, as heretofore and hereafter amended, or on account of the seller's tax liability under the "County Retailers' Occupation Tax Act"~~. Effective December 1, 1985, "selling price" shall include charges that are added to prices by sellers on account of the seller's tax liability under the Cigarette Tax Act, on account of the seller's duty to collect, from the purchaser, the tax imposed under the Cigarette Use Tax Act, and on account of the seller's duty to collect, from the purchaser, any cigarette tax imposed by a home rule unit.

The phrase "like kind and character" shall be liberally construed (including but not limited to any form of motor vehicle for any form of motor vehicle, or any kind of farm or agricultural implement for any other kind of farm or agricultural implement), while not including a kind of item which, if sold at retail by that retailer, would be exempt from retailers' occupation tax and use tax as an isolated or occasional sale.

"Department" means the Department of Revenue.

"Person" means any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian or other representative appointed by order of any court.

"Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Section.

A person who holds himself or herself out as being engaged (or who habitually engages) in selling tangible personal property at retail is a retailer hereunder with respect to such sales (and not primarily in a service occupation) notwithstanding the fact that such person designs and produces such tangible personal property on special order for the purchaser and in such a way as to render the property of value only to such purchaser, if such tangible personal property so produced on special order serves substantially the same function as stock or standard items of tangible personal property that are sold at retail.

A person whose activities are organized and conducted primarily as a not-for-profit service enterprise, and who engages in selling tangible personal property at retail (whether to the public or merely to members and their guests) is a retailer with respect to such transactions, excepting only a person organized and operated exclusively for charitable, religious or educational purposes either (1), to the extent of sales by such person to its members, students, patients or inmates of tangible personal property to be used primarily for the purposes of such person, or (2), to the extent of sales by such person of tangible personal property which is not sold or offered for sale by persons organized for profit. The selling of school books and school supplies by schools at retail to students is not "primarily for the purposes of" the school which does such selling. This paragraph does not apply to nor subject to taxation occasional dinners, social or similar activities of a person organized and operated exclusively for charitable, religious or educational purposes, whether or not such activities are open to the public.

A person who is the recipient of a grant or contract under Title VII of the Older Americans Act of 1965 (P.L. 92-258) and serves meals to participants in the federal Nutrition Program for the Elderly in return for contributions established in amount by the individual participant pursuant to a schedule of suggested fees as provided for in the federal Act is not a retailer under this Act with respect to such transactions.

Persons who engage in the business of transferring tangible personal property upon the redemption of trading stamps are retailers hereunder when engaged in such business.

The isolated or occasional sale of tangible personal property at retail by a person who does not hold himself out as being engaged (or who does not habitually engage) in selling such tangible personal property at retail or a sale through a bulk vending machine does not make such person a retailer hereunder. However, any person who is engaged in a business which is not subject to the tax imposed by the "Retailers' Occupation Tax Act" because of involving the sale of or a contract to sell real estate or a construction contract to improve real estate, but who, in the course of conducting such business, transfers tangible personal property to users or consumers in the finished form in which it was purchased, and which does not become real estate, under any provision of a construction contract or real estate sale or real estate sales agreement entered into with some other person arising out of or because of such nontaxable business, is a retailer to the extent of the value of the tangible personal property so transferred. If, in such transaction, a separate charge is made for the tangible personal property so transferred, the value of such property, for the purposes of this Act, is the amount so separately charged, but not less than the cost of such property to the transferor; if no separate charge is made, the value of such property, for the purposes of this Act, is the cost to the transferor of such tangible personal property.

"Retailer maintaining a place of business in this State", or any like term, means and includes any of the following retailers:

1. A retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution house, sales house, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State. However, the ownership of property that is located at the premises of a printer with which the retailer has contracted for printing and that consists of the final printed product, property that becomes a part of the final printed product, or copy from which the printed product is produced shall not result in the retailer being deemed to have or maintain an office, distribution house, sales house, warehouse, or other place of business within this State.

2. A retailer soliciting orders for tangible personal property by means of a

telecommunication or television shopping system (which utilizes toll free numbers) which is intended by the retailer to be broadcast by cable television or other means of broadcasting, to consumers located in this State.

3. A retailer, pursuant to a contract with a broadcaster or publisher located in this State, soliciting orders for tangible personal property by means of advertising which is disseminated primarily to consumers located in this State and only secondarily to bordering jurisdictions.

4. A retailer soliciting orders for tangible personal property by mail if the solicitations are substantial and recurring and if the retailer benefits from any banking, financing, debt collection, telecommunication, or marketing activities occurring in this State or benefits from the location in this State of authorized installation, servicing, or repair facilities.

5. A retailer that is owned or controlled by the same interests that own or control any retailer engaging in business in the same or similar line of business in this State.

6. A retailer having a franchisee or licensee operating under its trade name if the franchisee or licensee is required to collect the tax under this Section.

7. A retailer, pursuant to a contract with a cable television operator located in this State, soliciting orders for tangible personal property by means of advertising which is transmitted or distributed over a cable television system in this State.

8. A retailer engaging in activities in Illinois, which activities in the state in which the retail business engaging in such activities is located would constitute maintaining a place of business in that state.

"Bulk vending machine" means a vending machine, containing unsorted confections, nuts, toys, or other items designed primarily to be used or played with by children which, when a coin or coins of a denomination not larger than $0.50 are inserted, are dispensed in equal portions, at random and without selection by the customer.

(Source: P.A. 94-1074, eff. 12-26-06.)

Section 30. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Retailers' Occupation Tax Act is amended by changing Section 1 as follows:

(35 ILCS 120/1) (from Ch. 120, par. 440)

Sec. 1. Definitions. "Sale at retail" means any transfer of the ownership of or title to tangible personal property to a purchaser, for the purpose of use or consumption, and not for the purpose of resale in any form as tangible personal property to the extent not first subjected to a use for which it was purchased, for a valuable consideration: Provided that the property purchased is deemed to be purchased for the purpose of resale, despite first being used, to the extent to which it is resold as an ingredient of an intentionally produced product or byproduct of manufacturing. For this purpose, slag produced as an incident to manufacturing pig iron or steel and sold is considered to be an intentionally produced byproduct of manufacturing. Transactions whereby the possession of the property is transferred but the seller retains the title as security for payment of the selling price shall be deemed to be sales.

"Sale at retail" shall be construed to include any transfer of the ownership of or title to tangible personal property to a purchaser, for use or consumption by any other person to whom such purchaser may transfer the tangible personal property without a valuable consideration, and to include any transfer, whether made for or without a valuable consideration, for resale in any form as tangible personal property unless made in compliance with Section 2c of this Act.

Sales of tangible personal property, which property, to the extent not first subjected to a use for which it was purchased, as an ingredient or constituent, goes into and forms a part of tangible personal property subsequently the subject of a "Sale at retail", are not sales at retail as defined in this Act: Provided that the property purchased is deemed to be purchased for the purpose of resale, despite first being used, to the extent to which it is resold as an ingredient of an intentionally produced product or byproduct of manufacturing.

"Sale at retail" shall be construed to include any Illinois florist's sales transaction in which the purchase order is received in Illinois by a florist and the sale is for use or consumption, but the Illinois florist has a florist in another state deliver the property to the purchaser or the purchaser's donee in such other state.

Nonreusable tangible personal property that is used by persons engaged in the business of operating a restaurant, cafeteria, or drive-in is a sale for resale when it is transferred to customers in the ordinary course of business as part of the sale of food or beverages and is used to deliver, package, or consume food or beverages, regardless of where consumption of the food or beverages occurs. Examples of those items include, but are not limited to nonreusable, paper and plastic cups, plates, baskets, boxes, sleeves, buckets or other containers, utensils, straws, placemats, napkins, doggie bags, and wrapping or

packaging materials that are transferred to customers as part of the sale of food or beverages in the ordinary course of business.

The purchase, employment and transfer of such tangible personal property as newsprint and ink for the primary purpose of conveying news (with or without other information) is not a purchase, use or sale of tangible personal property.

A person whose activities are organized and conducted primarily as a not-for-profit service enterprise, and who engages in selling tangible personal property at retail (whether to the public or merely to members and their guests) is engaged in the business of selling tangible personal property at retail with respect to such transactions, excepting only a person organized and operated exclusively for charitable, religious or educational purposes either (1), to the extent of sales by such person to its members, students, patients or inmates of tangible personal property to be used primarily for the purposes of such person, or (2), to the extent of sales by such person of tangible personal property which is not sold or offered for sale by persons organized for profit. The selling of school books and school supplies by schools at retail to students is not "primarily for the purposes of" the school which does such selling. The provisions of this paragraph shall not apply to nor subject to taxation occasional dinners, socials or similar activities of a person organized and operated exclusively for charitable, religious or educational purposes, whether or not such activities are open to the public.

A person who is the recipient of a grant or contract under Title VII of the Older Americans Act of 1965 (P.L. 92-258) and serves meals to participants in the federal Nutrition Program for the Elderly in return for contributions established in amount by the individual participant pursuant to a schedule of suggested fees as provided for in the federal Act is not engaged in the business of selling tangible personal property at retail with respect to such transactions.

"Purchaser" means anyone who, through a sale at retail, acquires the ownership of or title to tangible personal property for a valuable consideration.

"Reseller of motor fuel" means any person engaged in the business of selling or delivering or transferring title of motor fuel to another person other than for use or consumption. No person shall act as a reseller of motor fuel within this State without first being registered as a reseller pursuant to Section 2c or a retailer pursuant to Section 2a.

"Selling price" or the "amount of sale" means the consideration for a sale valued in money whether received in money or otherwise, including cash, credits, property, other than as hereinafter provided, and services, but not including the value of or credit given for traded-in tangible personal property where the item that is traded-in is of like kind and character as that which is being sold, and shall be determined without any deduction on account of the cost of the property sold, the cost of materials used, labor or service cost or any other expense whatsoever, but does not include charges that are added to prices by sellers on account of the seller's tax liability under this Act, or on account of the seller's duty to collect, from the purchaser, the tax that is imposed by the Use Tax Act, or, except as otherwise provided with respect to any cigarette tax imposed by a home rule unit, on account of the seller's tax liability under any local occupation tax administered by the Department, or, except as otherwise provided with respect to any cigarette tax imposed by a home rule unit on account of the seller's duty to collect, from the purchasers, the tax that is imposed under any local use tax administered by the Department ~~or on account of the seller's tax liability under Section 8-11-1 of the Illinois Municipal Code, as heretofore and hereafter amended, or on account of the seller's tax liability under the County Retailers' Occupation Tax Act, or on account of the seller's tax liability under the Home Rule Municipal Soft Drink Retailers' Occupation Tax, or on account of the seller's tax liability under any tax imposed under the "Regional Transportation Authority Act", approved December 12, 1973~~. Effective December 1, 1985, "selling price" shall include charges that are added to prices by sellers on account of the seller's tax liability under the Cigarette Tax Act, on account of the sellers' duty to collect, from the purchaser, the tax imposed under the Cigarette Use Tax Act, and on account of the seller's duty to collect, from the purchaser, any cigarette tax imposed by a home rule unit.

The phrase "like kind and character" shall be liberally construed (including but not limited to any form of motor vehicle for any form of motor vehicle, or any kind of farm or agricultural implement for any other kind of farm or agricultural implement), while not including a kind of item which, if sold at retail by that retailer, would be exempt from retailers' occupation tax and use tax as an isolated or occasional sale.

"Gross receipts" from the sales of tangible personal property at retail means the total selling price or the amount of such sales, as hereinbefore defined. In the case of charge and time sales, the amount thereof shall be included only as and when payments are received by the seller. Receipts or other consideration derived by a seller from the sale, transfer or assignment of accounts receivable to a wholly owned subsidiary will not be deemed payments prior to the time the purchaser makes payment on such

accounts.

"Department" means the Department of Revenue.

"Person" means any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian or other representative appointed by order of any court.

The isolated or occasional sale of tangible personal property at retail by a person who does not hold himself out as being engaged (or who does not habitually engage) in selling such tangible personal property at retail, or a sale through a bulk vending machine, does not constitute engaging in a business of selling such tangible personal property at retail within the meaning of this Act; provided that any person who is engaged in a business which is not subject to the tax imposed by this Act because of involving the sale of or a contract to sell real estate or a construction contract to improve real estate or a construction contract to engineer, install, and maintain an integrated system of products, but who, in the course of conducting such business, transfers tangible personal property to users or consumers in the finished form in which it was purchased, and which does not become real estate or was not engineered and installed, under any provision of a construction contract or real estate sale or real estate sales agreement entered into with some other person arising out of or because of such nontaxable business, is engaged in the business of selling tangible personal property at retail to the extent of the value of the tangible personal property so transferred. If, in such a transaction, a separate charge is made for the tangible personal property so transferred, the value of such property, for the purpose of this Act, shall be the amount so separately charged, but not less than the cost of such property to the transferor; if no separate charge is made, the value of such property, for the purposes of this Act, is the cost to the transferor of such tangible personal property. Construction contracts for the improvement of real estate consisting of engineering, installation, and maintenance of voice, data, video, security, and all telecommunication systems do not constitute engaging in a business of selling tangible personal property at retail within the meaning of this Act if they are sold at one specified contract price.

A person who holds himself or herself out as being engaged (or who habitually engages) in selling tangible personal property at retail is a person engaged in the business of selling tangible personal property at retail hereunder with respect to such sales (and not primarily in a service occupation) notwithstanding the fact that such person designs and produces such tangible personal property on special order for the purchaser and in such a way as to render the property of value only to such purchaser, if such tangible personal property so produced on special order serves substantially the same function as stock or standard items of tangible personal property that are sold at retail.

Persons who engage in the business of transferring tangible personal property upon the redemption of trading stamps are engaged in the business of selling such property at retail and shall be liable for and shall pay the tax imposed by this Act on the basis of the retail value of the property transferred upon redemption of such stamps.

"Bulk vending machine" means a vending machine, containing unsorted confections, nuts, toys, or other items designed primarily to be used or played with by children which, when a coin or coins of a denomination not larger than $0.50 are inserted, are dispensed in equal portions, at random and without selection by the customer.

(Source: P.A. 92-213, eff. 1-1-02.)

Section 35. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Southwestern Illinois Development Authority Act is amended by changing Section 3 as follows:

(70 ILCS 520/3) (from Ch. 85, par. 6153)

Sec. 3. The following terms, whenever used or referred to in this Act, shall have the following meanings, except in such instances where the context may clearly indicate otherwise:

(a) "Authority" means the Southwestern Illinois Development Authority created by this Act.

(b) "Governmental agency" means any federal, State or local governmental body, and any agency or instrumentality thereof, corporate or otherwise.

(c) "Person" means any natural person, firm, partnership, corporation, both domestic and foreign, company, association or joint stock association and includes any trustee, receiver, assignee or personal representative thereof.

(d) "Revenue bond" means any bond issued by the Authority the principal and interest of which is payable solely from revenues or income derived from any project or activity of the Authority.

(e) "Board" means the Southwestern Illinois Development Authority Board of Directors.

(f) "Governor" means the Governor of the State of Illinois.

(g) "City" means any city, village, incorporated town or township within the geographical territory of the Authority.

(h) "Industrial project" means (1) a capital project, including one or more buildings and other structures, improvements, machinery and equipment whether or not on the same site or sites now existing or hereafter acquired, suitable for use by any manufacturing, industrial, research, transportation or commercial enterprise including but not limited to use as a factory, mill, processing plant, assembly plant, packaging plant, fabricating plant, office building, industrial distribution center, warehouse, repair, overhaul or service facility, freight terminal, research facility, test facility, railroad facility, solid waste and wastewater treatment and disposal sites and other pollution control facilities, resource or waste reduction, recovery, treatment and disposal facilities, and including also the sites thereof and other rights in land therefor whether improved or unimproved, site preparation and landscaping and all appurtenances and facilities incidental thereto such as utilities, access roads, railroad sidings, truck docking and similar facilities, parking facilities, dockage, wharfage, railroad roadbed, track, trestle, depot, terminal, switching and signaling equipment or related equipment and other improvements necessary or convenient thereto; or (2) any land, buildings, machinery or equipment comprising an addition to or renovation, rehabilitation or improvement of any existing capital project.

(i) "Housing project" or "residential project" includes a specific work or improvement undertaken to provide dwelling accommodations, including the acquisition, construction or rehabilitation of lands, buildings and community facilities and in connection therewith to provide nonhousing facilities which are an integral part of a planned large-scale project or new community.

(j) "Commercial project" means any project, including but not limited to one or more buildings and other structures, improvements, machinery and equipment whether or not on the same site or sites now existing or hereafter acquired, suitable for use by any retail or wholesale concern, distributorship or agency, any cultural facilities of a for-profit or not-for-profit type including but not limited to educational, theatrical, recreational and entertainment, sports facilities, racetracks, stadiums, convention centers, exhibition halls, arenas, opera houses and theaters, waterfront improvements, swimming pools, boat storage, moorage, docking facilities, restaurants, velodromes, coliseums, sports training facilities, parking facilities, terminals, hotels and motels, gymnasiums, medical facilities and port facilities.

(k) "Unit of local government" means a unit of local government, as defined in Section 1 of Article VII of the Illinois Constitution, and any local public entity as that term is defined in the Local Governmental and Governmental Employees Tort Immunity Act and such unit of local government or local public entity is located within the geographical territory of the Authority <u>or, for the purposes of the Flood Prevention District Act, is located within Monroe County, Illinois</u>.

(l) "Local government project" means a project or other undertaking that is authorized or required by law to be acquired, constructed, reconstructed, equipped, improved, rehabilitated, replaced, maintained, or otherwise undertaken in any manner by a unit of local government.

(m) "Local government security" means a bond, note, or other evidence of indebtedness that a unit of local government is legally authorized to issue for the purpose of financing a public purpose project or to issue for any other lawful public purpose under any provision of the Illinois Constitution or laws of this State, whether the obligation is payable from taxes or revenues, rates, charges, assessments, appropriations, grants, or any other lawful source or combination thereof, and specifically includes, without limitation, obligations under any lease or lease purchase agreement lawfully entered into by the unit of local government for the acquisition or use of facilities or equipment.

(n) "Project" means an industrial, housing, residential, commercial, local government, or service project or any combination thereof provided that all uses shall fall within one of the categories described above. Any project, of any nature whatsoever, shall automatically include all site improvements and new construction involving sidewalks, sewers, solid waste and wastewater treatment and disposal sites and other pollution control facilities, resource or waste reduction, recovery, treatment and disposal facilities, parks, open spaces, wildlife sanctuaries, streets, highways and runways.

(o) "Lease agreement" shall mean an agreement whereby a project acquired by the Authority by purchase, gift or lease is leased to any person or corporation which will use or cause the project to be used as a project as heretofore defined upon terms providing for lease rental payments at least sufficient to pay when due all principal of and interest and premium, if any, on any bonds, notes or other evidences of indebtedness of the Authority issued with respect to such project, providing for the maintenance, insurance and operation of the project on terms satisfactory to the Authority and providing for disposition of the project upon termination of the lease term, including purchase options or abandonment of the premises, with such other terms as may be deemed desirable by the Authority.

(p) "Loan agreement" means any agreement pursuant to which the Authority agrees to loan the proceeds of its bonds, notes or other evidences of indebtedness issued with respect to a project to any person or corporation which will use or cause the project to be used as a project as heretofore defined upon terms providing for loan repayment installments at least sufficient to pay when due all principal of

and interest and premium, if any, on any bonds, notes or other evidences of indebtedness of the Authority issued with respect to the project, providing for maintenance, insurance and operation of the project on terms satisfactory to the Authority and providing for other matters as may be deemed advisable by the Authority.

(q) "Financial aid" means the expenditure of Authority funds or funds provided by the Authority through the issuance of its revenue bonds, notes or other evidences of indebtedness for the development, construction, acquisition or improvement of a project.

(r) "Costs incurred in connection with the development, construction, acquisition or improvement of a project" means the following: the cost of purchase and construction of all lands and improvements in connection therewith and equipment and other property, rights, easements and franchises acquired which are deemed necessary for such construction; financing charges; interest costs with respect to bonds, notes and other evidences of indebtedness of the Authority prior to and during construction and for a period of 6 months thereafter; engineering and legal expenses; the costs of plans, specifications, surveys and estimates of costs and other expenses necessary or incident to determining the feasibility or practicability of any project, together with such other expenses as may be necessary or incident to the financing, insuring, acquisition and construction of a specific project and the placing of the same in operation.

(s) "Terminal" means a public place, station or depot for receiving and delivering passengers, baggage, mail, freight or express matter and any combination thereof in connection with the transportation of persons and property on water or land or in the air.

(t) "Terminal facilities" means all land, buildings, structures, improvements, equipment and appliances useful in the operation of public warehouse, storage and transportation facilities and industrial, manufacturing or commercial activities for the accommodation of or in connection with commerce by water or land or in the air or useful as an aid, or constituting an advantage or convenience to, the safe landing, taking off and navigation of aircraft or the safe and efficient operation or maintenance of a public airport.

(u) "Port facilities" means all public structures, except terminal facilities as defined herein, that are in, over, under or adjacent to navigable waters and are necessary for or incident to the furtherance of water commerce and includes the widening and deepening of slips, harbors and navigable waters.

(v) "Airport" means any locality, either land or water, which is used or designed for the landing and taking off of aircraft or for the location of runways, landing fields, aerodromes, hangars, buildings, structures, airport roadways and other facilities.

(Source: P.A. 85-591; 86-1455.)

Section 45. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Metro-East Sanitary District Act of 1974 is amended by changing Section 5-1 as follows:

(70 ILCS 2905/5-1) (from Ch. 42, par. 505-1)

Sec. 5-1. (a) The board may levy and collect taxes for corporate purposes. Such taxes shall be levied by ordinance specifying the purposes for which the same are required, and a certified copy of such ordinance shall be filed with the county clerk of the county in which the predecessor district was organized, on or before the second Tuesday in August, as provided in Section 122 of the Revenue Act of 1939 (superseded by Section 14-10 of the Property Tax Code). Any excess funds accumulated prior to January 1, 2008 by the sanitary district that are collected by levying taxes pursuant to 745 ILCS 10/9-107 may be expended by the sanitary district to maintain, repair, improve, or construct levees or any part of the levee system and to provide capital moneys for levee or river-related scientific studies, including the construction of facilities for such purposes. After the assessment for the current year has been equalized by the Department of Revenue, the board shall, as soon as may be, ascertain and certify to such county clerk the total value of all taxable property lying within the corporate limits of such districts in each of the counties in which the district is situated, as the same is assessed and equalized for tax purposes for the current year. The county clerk shall ascertain the rate per cent which, upon the total valuation of all such property, ascertained as above stated, would produce a net amount not less than the amount so directed to be levied; and the clerk shall, without delay, certify under his signature and seal of office to the county clerk of such other county, in which a portion of the district is situated such rate per cent; and it shall be the duty of each of the county clerks to extend such tax in a separate column upon the books of the collector or collectors of the county taxes for the counties, against all property in their respective counties, within the limits of the district. All taxes so levied and certified shall be collected and enforced in the same manner, and by the same officers as county taxes, and shall be paid over by the officers collecting the same, to the treasurer of the sanitary district, in the manner and at the time provided by the Property Tax Code. The aggregate amount of taxes levied for any one year, exclusive of

the amount levied for the payment of bonded indebtedness and interest thereon, shall not exceed the rate of .20%, or the rate limitation of the predecessor district in effect on July 1, 1967, or the rate limitation set by subsection (b) whichever is greater, of value, as equalized or assessed by the Department of Revenue. The foregoing limitations upon tax rates may be increased or decreased under the referendum provisions of the Property Tax Code.

(b) The tax rate limit of the district may be changed to .478% of the value of property as equalized or assessed by the Department of Revenue for a period of 5 years and to .312% of such value thereafter upon the approval of the electors of the district of such a proposition submitted at any regular election pursuant to a resolution of the board of commissioners or submitted at an election for officers of the counties of St. Clair and Madison in accordance with the general election law upon a petition signed by not fewer than 10% of the legal voters in the district, which percentage shall be determined on the basis of the number of votes cast at the last general election preceding the filing of such petition specifying the tax rate to be submitted. Such petition shall be filed with the executive director of the district not more than 10 months nor less than 5 months prior to the election at which the question is to be submitted to the voters of the district, and its validity shall be determined as provided by the general election law. The executive director shall certify the question to the proper election officials, who shall submit the question to the voters.

Notice shall be given in the manner provided by the general election law.

Referenda initiated under this subsection shall be subject to the provisions and limitations of the general election law.

The question shall be in substantially the following form:

Shall the maximum tax rate for the Metro-East Sanitary District be established at .478% of the equalized assessed value for 5 years and then at .312% of the equalized assessed value thereafter, instead of .2168%, the maximum rate otherwise applicable to the next taxes to be extended?

YES

NO

The ballot shall have printed thereon, but not as a part of the proposition submitted, an estimate of the approximate amount extendable under the proposed rate and of the approximate amount extendable under the rate otherwise applicable to the next taxes to be extended, such amounts being computed upon the last known equalized assessed value; provided, that any error, miscalculation or inaccuracy in computing such amounts shall not invalidate or affect the validity of any tax rate limit so adopted.

If a majority of all ballots cast on such proposition shall be in favor of the proposition, the tax rate limit so established shall become effective with the levy next following the referendum; provided that nothing in this subsection shall be construed as precluding the extension of taxes at rates less than that authorized by such referendum.

Except as herein otherwise provided, the referenda authorized by the terms of this subsection shall be conducted in all respects in the manner provided by the general election law.

(Source: P.A. 88-670, eff. 12-2-94.)

Section 99. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Haine offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 836

AMENDMENT NO. 2. Amend Senate Bill 836, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 8, by replacing lines 10 through 13 with the following:

"(14) To reimburse any county for costs advanced by the county for expenses that would have otherwise been paid out of the County Flood Prevention Occupation Tax Fund, had such fund been established at the time of the expenditure. Nothing in this Section shall be construed to permit a county to seek reimbursement from a flood prevention district for any expense related to levee maintenance,

repair, improvement, construction, staff, operating expenses, levee or river-related scientific studies, the construction of facilities for any such purpose, or any other non-emergency levee related expense that occurred prior to an emergency situation involving the levees within such county."; and

on page 46, line 9, after the period, by inserting the following:

"For the purposes of this subsection (a), the excess funds withdrawn from the Local Governmental and Governmental Employees Tort Immunity Fund may not be more than 90% of the balance of that fund on December 31, 2007."; and

on page 49, immediately below line 18, by inserting the following:

"Section 50. If and only if Senate Bill 2052 of the 95th General Assembly becomes law, then the Local Governmental and Governmental Employees Tort Immunity Act is amended by changing Section 9-107 as follows:

(745 ILCS 10/9-107) (from Ch. 85, par. 9-107)

Sec. 9-107. Policy; tax levy.

(a) The General Assembly finds that the purpose of this Section is to provide an extraordinary tax for funding expenses relating to (i) tort liability, (ii) liability relating to actions brought under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or the Environmental Protection Act, but only until December 31, 2010, (iii) insurance, and (iv) risk management programs. Thus, the tax has been excluded from various limitations otherwise applicable to tax levies. Notwithstanding the extraordinary nature of the tax authorized by this Section, however, it has become apparent that some units of local government are using the tax revenue to fund expenses more properly paid from general operating funds. These uses of the revenue are inconsistent with the limited purpose of the tax authorization.

Therefore, the General Assembly declares, as a matter of policy, that (i) the use of the tax revenue authorized by this Section for purposes not expressly authorized under this Act is improper and (ii) the provisions of this Section shall be strictly construed consistent with this declaration and the Act's express purposes.

(b) A local public entity may annually levy or have levied on its behalf taxes upon all taxable property within its territory at a rate that will produce a sum that will be sufficient to: (i) pay the cost of insurance, individual or joint self-insurance (including reserves thereon), including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance, or joint self-insurance program, and educational, inspectional, and supervisory services directly relating to loss prevention and loss reduction, participation in a reciprocal insurer as provided in Sections 72, 76, and 81 of the Illinois Insurance Code, or participation in a reciprocal insurer, all as provided in settlements or judgments under Section 9-102, including all costs and reserves directly attributable to being a member of an insurance pool, under Section 9-103; (ii) pay the costs of and principal and interest on bonds issued under Section 9-105; (iii) pay judgments and settlements under Section 9-104 of this Act; (iv) discharge obligations under Section 34-18.1 of the School Code; (v) pay judgments and settlements under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 and the Environmental Protection Act, but only until December 31, 2010; (vi) pay the costs authorized by the Metro-East Sanitary District Act of 1974 as provided in subsection (a) of Section 5-1 of that Act (70 ILCS 2905/5-1); and (vii) ~~(vi)~~ pay the cost of risk management programs. Provided it complies with any other applicable statutory requirements, the local public entity may self-insure and establish reserves for expected losses for any property damage or for any liability or loss for which the local public entity is authorized to levy or have levied on its behalf taxes for the purchase of insurance or the payment of judgments or settlements under this Section. The decision of the board to establish a reserve shall be based on reasonable actuarial or insurance underwriting evidence and subject to the limits and reporting provisions in Section 9-103.

If a school district was a member of a joint-self-health-insurance cooperative that had more liability in outstanding claims than revenue to pay those claims, the school board of that district may by resolution make a one-time transfer from any fund in which tort immunity moneys are maintained to the fund or funds from which payments to a joint-self-health-insurance cooperative can be or have been made of an amount not to exceed the amount of the liability claim that the school district owes to the joint-self-health-insurance cooperative or that the school district paid within the 2 years immediately

preceding the effective date of this amendatory Act of the 92nd General Assembly.

Funds raised pursuant to this Section shall only be used for the purposes specified in this Act, including protection against and reduction of any liability or loss described hereinabove and under Federal or State common or statutory law, the Workers' Compensation Act, the Workers' Occupational Diseases Act and the Unemployment Insurance Act. Funds raised pursuant to this Section may be invested in any manner in which other funds of local public entities may be invested under Section 2 of the Public Funds Investment Act. Interest on such funds shall be used only for purposes for which the funds can be used or, if surplus, must be used for abatement of property taxes levied by the local taxing entity.

A local public entity may enter into intergovernmental contracts with a term of not to exceed 12 years for the provision of joint self-insurance which contracts may include an obligation to pay a proportional share of a general obligation or revenue bond or other debt instrument issued by a local public entity which is a party to the intergovernmental contract and is authorized by the terms of the contract to issue the bond or other debt instrument. Funds due under such contracts shall not be considered debt under any constitutional or statutory limitation and the local public entity may levy or have levied on its behalf taxes to pay for its proportional share under the contract. Funds raised pursuant to intergovernmental contracts for the provision of joint self-insurance may only be used for the payment of any cost, liability or loss against which a local public entity may protect itself or self-insure pursuant to Section 9-103 or for the payment of which such entity may levy a tax pursuant to this Section, including tort judgments or settlements, costs associated with the issuance, retirement or refinancing of the bonds or other debt instruments, the repayment of the principal or interest of the bonds or other debt instruments, the costs of the administration of the joint self-insurance fund, consultant, and risk care management programs or the costs of insurance. Any surplus returned to the local public entity under the terms of the intergovernmental contract shall be used only for purposes set forth in subsection (a) of Section 9-103 and Section 9-107 or for abatement of property taxes levied by the local taxing entity.

Any tax levied under this Section shall be levied and collected in like manner with the general taxes of the entity and shall be exclusive of and in addition to the amount of tax that entity is now or may hereafter be authorized to levy for general purposes under any statute which may limit the amount of tax which that entity may levy for general purposes. The county clerk of the county in which any part of the territory of the local taxing entity is located, in reducing tax levies under the provisions of any Act concerning the levy and extension of taxes, shall not consider any tax provided for by this Section as a part of the general tax levy for the purposes of the entity nor include such tax within any limitation of the percent of the assessed valuation upon which taxes are required to be extended for such entity.

With respect to taxes levied under this Section, either before, on, or after the effective date of this amendatory Act of 1994:

(1) Those taxes are excepted from and shall not be included within the rate limitation imposed by law on taxes levied for general corporate purposes by the local public entity authorized to levy a tax under this Section.

(2) Those taxes that a local public entity has levied in reliance on this Section and that are excepted under paragraph (1) from the rate limitation imposed by law on taxes levied for general corporate purposes by the local public entity are not invalid because of any provision of the law authorizing the local public entity's tax levy for general corporate purposes that may be construed or may have been construed to restrict or limit those taxes levied, and those taxes are hereby validated. This validation of taxes levied applies to all cases pending on or after the effective date of this amendatory Act of 1994.

(3) Paragraphs (1) and (2) do not apply to a hospital organized under Article 170 or 175 of the Township Code, under the Town Hospital Act, or under the Township Non-Sectarian Hospital Act and do not give any authority to levy taxes on behalf of such a hospital in excess of the rate limitation imposed by law on taxes levied for general corporate purposes. A hospital organized under Article 170 or 175 of the Township Code, under the Town Hospital Act, or under the Township Non-Sectarian Hospital Act is not prohibited from levying taxes in support of tort liability bonds if the taxes do not cause the hospital's aggregate tax rate from exceeding the rate limitation imposed by law on taxes levied for general corporate purposes.

Revenues derived from such tax shall be paid to the treasurer of the local taxing entity as collected and used for the purposes of this Section and of Section 9-102, 9-103, 9-104 or 9-105, as the case may be. If payments on account of such taxes are insufficient during any year to meet such purposes, the entity may issue tax anticipation warrants against the current tax levy in the manner provided by statute.
(Source: P.A. 95-244, eff. 8-17-07.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Haine, **Senate Bill No. 836**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 47; Nays 8; Present 2.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Raoul
Bond	Frerichs	Link	Risinger
Brady	Garrett	Luechtefeld	Rutherford
Clayborne	Haine	Maloney	Schoenberg
Collins	Halvorson	Martinez	Silverstein
Cronin	Harmon	Meeks	Steans
Crotty	Hendon	Millner	Trotter
Dahl	Holmes	Munoz	Viverito
DeLeo	Hultgren	Murphy	Watson
Delgado	Hunter	Noland	Wilhelmi
Demuzio	Jacobs	Peterson	Mr. President
Dillard	Koehler	Radogno	

The following voted in the negative:

Bomke	Lauzen	Sandoval
Burzynski	Pankau	Sullivan
Jones, J.	Righter	

The following voted present:

Cullerton
Lightford

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Garrett, **Senate Bill No. 2090** was recalled from the order of third reading to the order of second reading.

Senator Garrett offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 2090

AMENDMENT NO. 2. Amend Senate Bill 2090 by replacing everything after the enacting clause with the following:

"Section 3. The Department of Professional Regulation Law of the Civil Administrative Code of Illinois is amended by changing Section 2105-300 as follows:

(20 ILCS 2105/2105-300) (was 20 ILCS 2105/61e)

Sec. 2105-300. Professions Indirect Cost Fund; allocations; analyses.

(a) Appropriations for the direct and allocable indirect costs of licensing and regulating each regulated profession, trade, occupation, or industry are intended to be payable from the fees and fines that are assessed and collected from that profession, trade, occupation, or industry, to the extent that those fees and fines are sufficient. In any fiscal year in which the fees and fines generated by a specific profession, trade, occupation, or industry are insufficient to finance the necessary direct and allocable indirect costs of licensing and regulating that profession, trade, occupation, or industry, the remainder of those costs shall be financed from appropriations payable from revenue sources other than fees and fines. The direct and allocable indirect costs of the Department identified in its cost allocation plans that are not attributable to the licensing and regulation of a specific profession, trade, or occupation, or industry or group of professions, trades, occupations, or industries shall be financed from appropriations from revenue sources other than fees and fines.

(b) The Professions Indirect Cost Fund is hereby created as a special fund in the State Treasury. Except as provided in subsection (e), the ~~The~~ Fund may receive transfers of moneys authorized by the Department from the cash balances in special funds that receive revenues from the fees and fines associated with the licensing of regulated professions, trades, occupations, and industries by the Department. Moneys in the Fund shall be invested and earnings on the investments shall be retained in the Fund. Subject to appropriation, the Department shall use moneys in the Fund to pay the ordinary and necessary allocable indirect expenses associated with each of the regulated professions, trades, occupations, and industries.

(c) Before the beginning of each fiscal year, the Department shall prepare a cost allocation analysis to be used in establishing the necessary appropriation levels for each cost purpose and revenue source. At the conclusion of each fiscal year, the Department shall prepare a cost allocation analysis reflecting the extent of the variation between how the costs were actually financed in that year and the planned cost allocation for that year. Variations between the planned and actual cost allocations for the prior fiscal year shall be adjusted into the Department's planned cost allocation for the next fiscal year.

Each cost allocation analysis shall separately identify the direct and allocable indirect costs of each regulated profession, trade, occupation, or industry and the costs of the Department's general public health and safety purposes. The analyses shall determine whether the direct and allocable indirect costs of each regulated profession, trade, occupation, or industry and the costs of the Department's general public health and safety purposes are sufficiently financed from their respective funding sources. The Department shall prepare the cost allocation analyses in consultation with the respective regulated professions, trades, occupations, and industries and shall make copies of the analyses available to them in a timely fashion.

(d) Except as provided in subsection (e), the ~~The~~ Department may direct the State Comptroller and Treasurer to transfer moneys from the special funds that receive fees and fines associated with regulated professions, trades, occupations, and industries into the Professions Indirect Cost Fund in accordance with the Department's cost allocation analysis plan for the applicable fiscal year. For a given fiscal year, the Department shall not direct the transfer of moneys under this subsection from a special fund associated with a specific regulated profession, trade, occupation, or industry (or group of professions, trades, occupations, or industries) in an amount exceeding the allocable indirect costs associated with that profession, trade, occupation, or industry (or group of professions, trades, occupations, or industries) as provided in the cost allocation analysis for that fiscal year and adjusted for allocation variations from the prior fiscal year. No direct costs identified in the cost allocation plan shall be used as a basis for transfers into the Professions Indirect Cost Fund or for expenditures from the Fund.

(e) No transfer may be made to the Professions Indirect Cost Fund under this Section from the Public Pension Regulation Fund.

(Source: P.A. 94-91, eff. 7-1-05.)

Section 5. The Pension Impact Note Act is amended by changing Section 3 as follows:

(25 ILCS 55/3) (from Ch. 63, par. 42.43)

Sec. 3. Content of pension impact note.

(a) The pension impact note shall be factual in nature, as brief and concise as may be, and shall provide a reliable estimate of the impact of the bill on any public pension systems to be effected by it, in dollars where appropriate, and, in addition, it shall include both the immediate effect and, if determinable or reasonably foreseeable, the long range effect of the measure. If, after careful investigation, it is determined that no dollar estimate is possible, the note shall contain a statement to that effect, setting forth the reasons why no dollar estimate can be given. A brief summary or work sheet of computations used in arriving at pension impact note figures shall be included.

(b) The pension impact note for any legislation or amendment that the Commission on Government Forecasting and Accountability determines would result in an increase in benefits or increased costs to a pension fund established under Article 3 or 4 of the Illinois Pension Code may demonstrate the fiscal impact of the legislation being considered on selected individual municipalities with such pension funds.
(Source: P.A. 79-1397.)

Section 7. The State Finance Act is amended by changing Section 8f as follows:
(30 ILCS 105/8f)
Sec. 8f. Public Pension Regulation Fund. The Public Pension Regulation Fund is created in the State Treasury. Except as otherwise provided in the Illinois Pension Code, all money received by the Department of Financial and Professional Regulation, as successor to the Illinois Department of Insurance, under the Illinois Pension Code shall be paid into the Fund. ~~Moneys in the Fund may be transferred to the Professions Indirect Cost Fund, as authorized under Section 2105-300 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.~~ The State Treasurer promptly shall invest the money in the Fund, and all earnings that accrue on the money in the Fund shall be credited to the Fund. No money may be transferred from this Fund to any other fund. The General Assembly may make appropriations from this Fund for the ordinary and contingent expenses of the Public Pension Division of the Illinois Department of Insurance.
(Source: P.A. 94-91, eff. 7-1-05.)

Section 10. The Illinois Pension Code is amended by changing Sections 1-110, 1-113.5, 1A-104, 3-143, and 4-134 and by adding Sections 1-125, 3-141.1, 3-144.5, 4-138.5, and 22-1004 as follows:
(40 ILCS 5/1-110) (from Ch. 108 1/2, par. 1-110)
Sec. 1-110. Prohibited Transactions.
(a) A fiduciary with respect to a retirement system or pension fund shall not cause the retirement system or pension fund to engage in a transaction if he or she knows or should know that such transaction constitutes a direct or indirect:
(1) Sale or exchange, or leasing of any property from the retirement system or pension fund to a party in interest for less than adequate consideration, or from a party in interest to a retirement system or pension fund for more than adequate consideration.
(2) Lending of money or other extension of credit from the retirement system or pension fund to a party in interest without the receipt of adequate security and a reasonable rate of interest, or from a party in interest to a retirement system or pension fund with the provision of excessive security or an unreasonably high rate of interest.
(3) Furnishing of goods, services or facilities from the retirement system or pension fund to a party in interest for less than adequate consideration, or from a party in interest to a retirement system or pension fund for more than adequate consideration.
(4) Transfer to, or use by or for the benefit of, a party in interest of any assets of a retirement system or pension fund for less than adequate consideration.
(b) A fiduciary with respect to a retirement system or pension fund established under this Code shall not:
(1) Deal with the assets of the retirement system or pension fund in his own interest or for his own account;
(2) In his individual or any other capacity act in any transaction involving the retirement system or pension fund on behalf of a party whose interests are adverse to the interests of the retirement system or pension fund or the interests of its participants or beneficiaries; or
(3) Receive any consideration for his own personal account from any party dealing with the retirement system or pension fund in connection with a transaction involving the assets of the retirement system or pension fund.
(c) Nothing in this Section shall be construed to prohibit any trustee from:
(1) Receiving any benefit to which he may be entitled as a participant or beneficiary in the retirement system or pension fund.
(2) Receiving any reimbursement of expenses properly and actually incurred in the performance of his duties with the retirement system or pension fund.
(3) Serving as a trustee in addition to being an officer, employee, agent or other representative of a party in interest.
(d) A fiduciary of a pension fund established under Article 3 or 4 shall not knowingly cause or advise the pension fund to engage in an investment transaction when the fiduciary (i) has any direct interest in the income, gains, or profits of the investment advisor through which the investment transaction is made

or (ii) has a business relationship with that investment advisor that would result in a pecuniary benefit to the fiduciary as a result of the investment transaction.

Violation of this subsection (d) is a Class 4 felony.

(Source: P.A. 88-535.)

(40 ILCS 5/1-113.5)

Sec. 1-113.5. Investment advisers and investment services.

(a) The board of trustees of a pension fund may appoint investment advisers as defined in Section 1-101.4. The board of any pension fund investing in common or preferred stock under Section 1-113.4 shall appoint an investment adviser before making such investments.

The investment adviser shall be a fiduciary, as defined in Section 1-101.2, with respect to the pension fund and shall be one of the following:

(1) an investment adviser registered under the federal Investment Advisers Act of 1940 and the Illinois Securities Law of 1953;

(2) a bank or trust company authorized to conduct a trust business in Illinois;

(3) a life insurance company authorized to transact business in Illinois; or

(4) an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.

(a-5) Notwithstanding any other provision of law, a person or entity that provides consulting services (referred to as a "consultant" in this Section) to a pension fund with respect to the selection of fiduciaries may not be awarded a contract to provide those consulting services that is more than 5 years in duration. No contract to provide such consulting services may be renewed or extended. At the end of the term of a contract, however, the contractor is eligible to compete for a new contract. No person shall attempt to avoid or contravene the restrictions of this subsection by any means. All offers from responsive offerors shall be accompanied by disclosure of the names and addresses of the following:

(1) The offeror.

(2) Any entity that is a parent of, or owns a controlling interest in, the offeror.

(3) Any entity that is a subsidiary of, or in which a controlling interest is owned by, the offeror.

Beginning on July 1, 2008, a person, other than a trustee or an employee of a pension fund or retirement system, may not act as a consultant under this Section unless that person is at least one of the following: (i) registered as an investment adviser under the federal Investment Advisers Act of 1940 (15 U.S.C. 80b-1, et seq.); (ii) registered as an investment adviser under the Illinois Securities Law of 1953; (iii) a bank, as defined in the Investment Advisers Act of 1940; or (iv) an insurance company authorized to transact business in this State.

(b) All investment advice and services provided by an investment adviser or a consultant appointed under this Section shall be rendered pursuant to a written contract between the investment adviser and the board, and in accordance with the board's investment policy.

The contract shall include all of the following:

(1) acknowledgement in writing by the investment adviser that he or she is a fiduciary with respect to the pension fund;

(2) the board's investment policy;

(3) full disclosure of direct and indirect fees, commissions, penalties, and any other compensation that may be received by the investment adviser, including reimbursement for expenses; and

(4) a requirement that the investment adviser submit periodic written reports, on at least a quarterly basis, for the board's review at its regularly scheduled meetings. All returns on investment shall be reported as net returns after payment of all fees, commissions, and any other compensation.

(b-5) Each contract described in subsection (b) shall also include (i) full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the investment adviser or consultant in connection with the provision of services to the pension fund and (ii) a requirement that the investment adviser or consultant update the disclosure promptly after a modification of those payments or an additional payment.

Within 30 days after the effective date of this amendatory Act of the 95th General Assembly, each investment adviser and consultant providing services on the effective date or subject to an existing contract for the provision of services must disclose to the board of trustees all direct and indirect fees, commissions, penalties, and other compensation paid by or on behalf of the investment adviser or consultant in connection with the provision of those services and shall update that disclosure promptly after a modification of those payments or an additional payment.

A person required to make a disclosure under subsection (d) is also required to disclose direct and

indirect fees, commissions, penalties, or other compensation that shall or may be paid by or on behalf of the person in connection with the rendering of those services. The person shall update the disclosure promptly after a modification of those payments or an additional payment.

The disclosures required by this subsection shall be in writing and shall include the date and amount of each payment and the name and address of each recipient of a payment.

(c) Within 30 days after appointing an investment adviser or consultant, the board shall submit a copy of the contract to the Division ~~Department~~ of Insurance of the Department of Financial and Professional Regulation.

(d) Investment services provided by a person other than an investment adviser appointed under this Section, including but not limited to services provided by the kinds of persons listed in items (1) through (4) of subsection (a), shall be rendered only after full written disclosure of direct and indirect fees, commissions, penalties, and any other compensation that shall or may be received by the person rendering those services.

(e) The board of trustees of each pension fund shall retain records of investment transactions in accordance with the rules of the Department of Financial and Professional Regulation ~~Insurance~~.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-125 new)

Sec. 1-125. Prohibition on gifts.

(a) For the purposes of this Section:

"Gift" means a gift as defined in Section 1-5 of the State Officials and Employees Ethics Act.

"Prohibited source" means a person or entity who:

(i) is seeking official action (A) by the board or (B) by a board member;

(ii) does business or seeks to do business (A) with the board or (B) with a board member;

(iii) has interests that may be substantially affected by the performance or non-performance of the official duties of the board member; or

(iv) is registered or required to be registered with the Secretary of State under the Lobbyist Registration Act, except that an entity not otherwise a prohibited source does not become a prohibited source merely because a registered lobbyist is one of its members or serves on its board of directors.

(b) No trustee of a board created under Article 3 or 4 of this Code shall intentionally solicit or accept any gift from any prohibited source as prescribed in Article 10 of the State Officials and Employees Ethics Act, including the exceptions contained in Section 10-15 of that Act, other than paragraphs (4) and (5) of that Section. Solicitation or acceptance of educational materials, however, is not prohibited. For the purposes of this Section, references to "State employee" and "employee" in Article 10 of the State Officials and Employees Ethics Act shall include a trustee of a board created under Article 3 or 4 of this Code.

(c) A municipality may adopt or maintain policies or ordinances that are more restrictive than those set forth in this Section and may continue to follow any existing policies or ordinances that are more restrictive or are in addition to those set forth in this Section.

(d) Violation of this Section is a Class A misdemeanor.

(40 ILCS 5/1A-104)

Sec. 1A-104. Examinations and investigations.

(a) The Division shall make periodic examinations and investigations of all pension funds established under this Code and maintained for the benefit of employees and officers of governmental units in the State of Illinois. However, in lieu of making an examination and investigation, the Division may accept and rely upon a report of audit or examination of any pension fund made by an independent certified public accountant pursuant to the provisions of the Article of this Code governing the pension fund. The acceptance of the report of audit or examination does not bar the Division from making a further audit, examination, and investigation if deemed necessary by the Division.

The Department may implement a flexible system of examinations under which it directs resources as it deems necessary or appropriate. In consultation with the pension fund being examined, the Division may retain attorneys, independent actuaries, independent certified public accountants, and other professionals and specialists as examiners, the cost of which (except in the case of pension funds established under Article 3 or 4) shall be borne by the pension fund that is the subject of the examination.

(b) The Division shall examine or investigate each pension fund established under Article 3 or Article 4 of this Code. The schedule of each examination shall be such that each fund shall be examined once every 3 years.

Each examination shall include the following:

(1) an audit of financial transactions, investment policies, and procedures;

(2) an examination of books, records, documents, files, and other pertinent memoranda relating to financial, statistical, and administrative operations;

(3) a review of policies and procedures maintained for the administration and operation of the pension fund;

(4) a determination of whether or not full effect is being given to the statutory provisions governing the operation of the pension fund;

(5) a determination of whether or not the administrative policies in force are in accord with the purposes of the statutory provisions and effectively protect and preserve the rights and equities of the participants; ~~and~~

(6) a determination of whether or not proper financial and statistical records have been established and adequate documentary evidence is recorded and maintained in support of the several types of annuity and benefit payments being made; and ~~.~~

(7) a determination of whether or not the calculations made by the fund for the payment of all annuities and benefits are accurate.

In addition, the Division may conduct investigations, which shall be identified as such and which may include one or more of the items listed in this subsection.

A copy of the report of examination or investigation as prepared by the Division shall be submitted to the secretary of the board of trustees of the pension fund examined or investigated and to the chief executive officer of the municipality. The Director, upon request, shall grant a hearing to the officers or trustees of the pension fund or their duly appointed representatives, upon any facts contained in the report of examination. The hearing shall be conducted before filing the report or making public any information contained in the report. The Director may withhold the report from public inspection for up to 60 days following the hearing.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/3-141.1 new)

Sec. 3-141.1. Award of benefits. Prior to the board's determination of benefits, the board shall provide, in writing, the total amount of the annuity for a member and all information used in the calculation of that benefit to the Treasurer of the municipality. If the Treasurer is of the opinion that the calculated annuity is incorrect, the Treasurer shall immediately notify the board. The board shall review the Treasurer's findings, and if the Board concurs that an error exists it shall re-determine the annuity so that it is calculated in accordance with the Illinois Pension Code.

(40 ILCS 5/3-143) (from Ch. 108 1/2, par. 3-143)

Sec. 3-143. Report by pension board.

(a) The pension board shall report annually to the city council or board of trustees of the municipality on the condition of the pension fund at the end of its most recently completed fiscal year. The report shall be made prior to the council or board meeting held for the levying of taxes for the year for which the report is made.

The pension board shall certify and provide the following information to the city council or board of trustees of the municipality:

(1) the total assets of the fund in its custody at the end of the fiscal year and the current market value of those assets;

(2) the estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers, and from all other sources;

(3) the estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in this Article, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127; ~~and~~

(4) the total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year ~~,~~ compared to the total net ~~such~~ income , assumed investment return, and actual investment return received during the preceding fiscal year; ~~.~~

(5) the total number of active employees who are financially contributing to the fund;

(6) the total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits;

(7) the funded ratio of the fund;

(8) the unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability; and

(9) the investment policy of the pension board under the statutory investment restrictions imposed on the fund.

Before the pension board makes its report, the municipality shall have the assets of the fund and their current market value verified by an independent certified public accountant of its choice.

(b) The municipality is authorized to publish the report submitted under this Section. This publication may be made, without limitation, by publication in a local newspaper of general circulation in the municipality or by publication on the municipality's Internet website. If the municipality publishes the report, then that publication must include all of the information submitted by the pension board under subsection (a).

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/3-144.5 new)

Sec. 3-144.5. Fraud. Any person, member, trustee, or employee of the board who knowingly makes any false statement or falsifies or permits to be falsified any record of a fund in any attempt to defraud such fund as a result of such act, or intentionally or knowingly defrauds a fund in any manner, is guilty of a Class A misdemeanor.

(40 ILCS 5/4-134) (from Ch. 108 1/2, par. 4-134)

Sec. 4-134. Report for tax levy. The board shall report to the city council or board of trustees of the municipality on the condition of the pension fund at the end of its most recently completed fiscal year. The report shall be made prior to the council or board meeting held for appropriating and levying taxes for the year for which the report is made.

The pension board in the report shall certify and provide the following information to the city council or board of trustees of the municipality:

(1) the total assets of the fund and their current market value of those assets;

(2) the estimated receipts during the next succeeding fiscal year from deductions from the salaries or wages of firefighters, and from all other sources;

(3) the estimated amount necessary during the fiscal year to meet the annual actuarial requirements of the pension fund as provided in Sections 4-118 and 4-120;

(4) the total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year ~~,~~ compared to the total net ~~such~~ income , assumed investment return, and actual investment return received during the preceding fiscal year; ~~and~~

(5) the increase in employer pension contributions that results from the implementation of the provisions of this amendatory Act of the 93rd General Assembly; ~~.~~

(6) the total number of active employees who are financially contributing to the fund;

(7) the total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits;

(8) the funded ratio of the fund;

(9) the unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability; and

(10) the investment policy of the pension board under the statutory investment restrictions imposed on the fund.

Before the pension board makes its report, the municipality shall have the assets of the fund and their current market value verified by an independent certified public accountant of its choice.

(b) The municipality is authorized to publish the report submitted under this Section. This publication may be made, without limitation, by publication in a local newspaper of general circulation in the municipality or by publication on the municipality's Internet website. If the municipality publishes the report, then that publication must include all of the information submitted by the pension board under subsection (a).

(Source: P.A. 93-689, eff. 7-1-04.)

(40 ILCS 5/4-138.5 new)

Sec. 4-138.5. Fraud. Any person, member, trustee, or employee of the board who knowingly makes any false statement or falsifies or permits to be falsified any record of a fund in any attempt to defraud such fund as a result of such act, or intentionally or knowingly defrauds a fund in any manner, is guilty of a Class A misdemeanor.

(40 ILCS 5/22-1004 new)

Sec. 22-1004. Commission on Government Forecasting and Accountability report on Article 3 and 4 funds. Each odd numbered year, the Commission on Government Forecasting and Accountability shall analyze data submitted by the Public Pension Division of the Illinois Department of Financial and Professional Regulation pertaining to the pension systems established under Article 3 and Article 4 of this Code. The Commission shall issue a formal report during such years, the content of which is, to the

extent practicable, to be similar in nature to that required under Section 22-1003. In addition to providing aggregate analyses of both systems, the report shall analyze the fiscal status and provide forecasting projections for selected individual funds in each system. To the fullest extent practicable, the report shall analyze factors that affect each selected individual fund's unfunded liability and any actuarial gains and losses caused by salary increases, investment returns, employer contributions, benefit increases, change in assumptions, the difference in employer contributions and the normal cost plus interest, and any other applicable factors. In analyzing net investment returns, the report shall analyze the assumed investment return compared to the actual investment return over the preceding 10 fiscal years. The Public Pension Division of the Department of Financial and Professional Regulation shall provide to the Commission any assistance that the Commission may request with respect to its report under this Section.

Section 90. The State Mandates Act is amended by adding Section 8.32 as follows:
(30 ILCS 805/8.32 new)
Sec. 8.32. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 95th General Assembly.

Section 99. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Garrett, **Senate Bill No. 2090**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

Yeas 56; Nays None.

The following voted in the affirmative:

Althoff	Forby	Link	Sandoval
Bomke	Frerichs	Luechtefeld	Schoenberg
Bond	Garrett	Maloney	Silverstein
Brady	Haine	Martinez	Steans
Burzynski	Halvorson	Meeks	Sullivan
Clayborne	Harmon	Millner	Syverson
Collins	Hendon	Murphy	Trotter
Cronin	Holmes	Noland	Viverito
Crotty	Hultgren	Pankau	Watson
Cullerton	Hunter	Peterson	Wilhelmi
Dahl	Jones, J.	Radogno	Mr. President
DeLeo	Koehler	Raoul	
Delgado	Kotowski	Righter	
Demuzio	Lauzen	Risinger	
Dillard	Lightford	Rutherford	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Sullivan, **House Bill No. 4179** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

AMENDMENT NO. 1 TO HOUSE BILL 4179

AMENDMENT NO. 1. Amend House Bill 4179 by deleting everything from line 9 on page 6 through line 5 on page 7; and

by deleting everything from line 11 on page 19 through line 7 on page 20.

There being no further amendments, the bill, as amended, was ordered to a third reading.

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS ON SECRETARY'S DESK

On motion of Senator DeLeo, **Senate Bill No. 1900**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator DeLeo moved that the Senate nonconcur with the House in the adoption of their amendment to said bill.

The motion prevailed.

And the Senate nonconcurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 1900**.

Ordered that the Secretary inform the House of Representatives thereof.

ANNOUNCEMENTS

The Chair announced the following committees will meet:

Judiciary Civil Law in Room 212 at 6:30 o'clock p.m.
Public Health in Room 400 at 6:30 o'clock p.m.
Local Government in Room 409 at 6:30 o'clock p.m.
Judiciary Criminal Law in Room 212 at 6:45 o'clock p.m.
Pensions and Investments in Room 400 at 7:00 o'clock p.m.
Environment and Energy in Room 212 at 7:15 o'clock p.m.
Insurance in Room 400 at 7:30 o'clock p.m.
Financial Institutions in Room 400 at 7:45 o'clock p.m.

MESSAGES FROM THE HOUSE

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1939

A bill for AN ACT concerning education.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1939

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1939

AMENDMENT NO. 1. Amend Senate Bill 1939 on page 12, line 17, after the period, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 1939**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1945

A bill for AN ACT concerning warehouses.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1945

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1945

AMENDMENT NO. 1. Amend Senate Bill 1945 on page 12, by replacing lines 22 through 25 with the following:

"(b) Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this paragraph, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 1945**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1979

A bill for AN ACT concerning regulation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1979

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1979

AMENDMENT NO. 1. Amend Senate Bill 1979 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Homeowner's Emergency Assistance Program Act.

Section 5. Illinois Housing Development Authority; powers; duties.

(a) The Illinois Housing Development Authority shall have the power to issue grants to residents of Illinois who are eligible for assistance as described in this Act.

(b) The Authority shall implement and administer the program established by this Act.

(c) The Authority shall ensure that a homeowner receiving assistance under this Act has received counseling from a HUD-certified housing counseling agency.

Section 10. Definitions. For purposes of this Act:

"Authority" means the Illinois Housing Development Authority.

"Counseling" means in-person counseling provided by a counselor employed by a HUD-certified housing counseling agency or, where a hardship would be imposed on a homeowner, documented telephone counseling. A hardship exists if the homeowner is confined to his or her home due to a medical condition, as verified in writing by a physician, or the homeowner resides 50 miles or more from the nearest participating HUD-certified housing counseling agency. In instances of telephone counseling, the homeowner must supply any necessary documents to the counselor at least 72 hours prior to the scheduled telephone counseling session.

"Counselor" means a counselor employed by a HUD-certified housing counseling agency.

"Lender" means that term as it is defined in Section 1-4 of the Residential Mortgage License Act of 1987.

"Good faith" means honesty in fact in the conduct or transaction concerned.

Section 15. Eligibility for assistance.

(a) No assistance may be given to a homeowner pursuant to this Act unless:

(1) The property securing the mortgage is the homeowner's primary residence.

(2) The homeowner is a resident of this State and his or her property is being foreclosed due to failure to make mortgage payments.

(3) The lender agrees to halt foreclosure proceedings upon written notification by the Authority that a homeowner has been approved for assistance.

(4) The homeowner's household income is less than 120% of area median income determined by the U.S. Department of Housing and Urban Development.

(5) The mortgage lender agrees to renegotiate in good faith the terms of the mortgage being foreclosed upon written notification that the homeowner has been approved by the Authority.

(6) The homeowner has attended a counseling session that was provided by a HUD-certified housing counseling agency.

(7) The borrower is a resident of this State.

(8) The homeowner agrees to defend and indemnify and hold harmless the Authority from and against any and all damages arising out the Authority's payment on behalf of the borrower.

(9) The lender agrees to defend and indemnify and hold harmless the Authority from and against any and all damages arising out the Authority's payment on behalf of the borrower.

(b) Upon a determination that the conditions of eligibility described in this Act have been met, and funds for assistance are available, the homeowner shall become eligible for the assistance described in Section 20 of this Act.

Section 20. Assistance payments.

(a) If the Authority determines that a homeowner is eligible for assistance under this program, the Authority shall pay directly to each lender payments on behalf of the homeowner seeking assistance under the program. This amount shall include, but not be limited to, delinquencies of principal, interest, taxes, assessments, ground rents, hazard insurance, mortgage insurance, and credit insurance premiums.

(b) An eligible applicant may not receive a grant in excess of $6,000, or the sum of 3 monthly mortgage payments on the property, whichever is less.

(c) Grants made under this Act may only be used to satisfy mortgage financing with a first lien position.

Section 25. Program funding.

(a) The Authority shall use only funds specifically appropriated by the General Assembly for the purposes of this Act to make payments to lenders, to provide reimbursement to HUD-certified housing counseling agencies for costs incurred in assisting borrowers, and to reimburse the Authority for administration of the program. Assistance under this Act shall not be available at any time the Authority does not have funds currently available to approve applications for emergency mortgage assistance.

(b) This Act is subject to appropriation; however, at no time shall the cumulative amount of grants issued under this program exceed $3,000,000 in a calendar year.

Section 27. No authority to make or promulgate rules. Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this Act. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this Act, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this Act shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this Act, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.

Section 30. Repealer. This Act is repealed on January 1, 2010.

Section 99. Effective date. This Act takes effect upon becoming law.".

Under the rules, the foregoing **Senate Bill No. 1979**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1982

A bill for AN ACT concerning education.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1982

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1982

AMENDMENT NO. 1. Amend Senate Bill 1982 on page 2, line 18, after "Board.", by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however,

the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 1982**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2012

A bill for AN ACT concerning public health.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2012

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2012

AMENDMENT NO. 1. Amend Senate Bill 2012 by replacing everything after the enacting clause with the following:

"Section 5. The Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois is amended by adding Section 2310-76 as follows:

(20 ILCS 2310/2310-76 new)

Sec. 2310-76. Chronic Disease Prevention and Health Promotion Task Force.

(a) In Illinois, as well as in other parts of the United States, chronic diseases are a significant health and economic problem for our citizens and State government. Chronic diseases such as cancer, diabetes, cardiovascular disease, and arthritis are largely preventable non-communicable conditions associated with risk factors such as poor nutrition, physical inactivity, tobacco or alcohol abuse, as well as other social determinants of chronic illness. It is fully documented by national and State data that significant disparity exists between racial, ethnic, and socioeconomic groups and that the incidence and impact of many of these conditions disproportionately affect these populations.

Chronic diseases can take away a person's quality of life or his or her ability to work. The Centers for Disease Control and Prevention reports that 7 out of 10 Americans who die each year, or more than 1.7 million people, die of a chronic disease. In Illinois, studies have indicated that during the study period the State has spent more than $12.5 billion in health care dollars to treat chronic diseases in our State. The financial burden for Illinois from the impact of lost work days and lower employee productivity during the same time period related to chronic diseases resulted in an annual economic loss of $43.6 billion. These same studies have concluded that improvements in preventing and managing chronic diseases could drastically reduce future costs associated with chronic disease in Illinois and that the most effective way to trim healthcare spending in Illinois and across the U.S. is to take measures aimed at preventing diseases before we have to treat them. Furthermore, by addressing health disparities and by targeting chronic disease prevention and health promotion services toward the highest risk groups, especially in communities where racial, ethnic, and socioeconomic factors indicate high rates of these diseases, the goals of improving the overall health status for all Illinois residents can be achieved. Health promotion and prevention programs and activities are scattered throughout a number of State agencies with various streams of funding and little coordination. While the State has been looking at making

significant changes to healthcare coverage for a portion of the population, in order to have the most effective impact, any changes to the healthcare delivery system in Illinois should take into consideration and integrate the role of prevention and health promotion in that system.

(b) Subject to appropriation, within 6 months after the effective date of this amendatory Act of the 95th General Assembly, a Task Force on Chronic Disease Prevention and Health Promotion shall be convened to study and make recommendations regarding the structure of the chronic disease prevention and health promotion system in Illinois, as well as changes that should be made to the system in order to integrate and coordinate efforts in the State and ensure continuity and consistency of purpose and the elimination of disparity in the delivery of this care in Illinois.

(c) The Department of Public Health shall have primary responsibility for, and shall provide staffing and technical and administrative support for the Task Force in its efforts. The other State agencies represented on the Task Force shall work cooperatively with the Department of Public Health to provide administrative and technical support to the Task Force in its efforts. Membership of the Task Force shall consist of 18 members as follows: the Director of Public Health, who shall serve as Chair; the Secretary of Human Services or his or her designee; the Director of Aging or his or her designee; the Director of Healthcare and Family Services or his designee; 4 members of the General Assembly, one from the State Senate appointed by the President of the Senate, one from the State Senate appointed by the Minority Leader of the Senate, one from the House of Representatives appointed by the Speaker of the House, and one from the House of Representatives appointed by the Minority Leader of the House; and 10 members appointed by the Director of Public Health and who shall be representative of State associations and advocacy organizations with a primary focus that includes chronic disease prevention, public health delivery, medicine, health care and disease management, or community health.

(d) The Task Force shall seek input from interested parties and shall hold a minimum of 3 public hearings across the State, including one in northern Illinois, one in central Illinois, and one in southern Illinois.

(e) On or before July 1, 2010, the Task Force shall, at a minimum, make recommendations to the Director of Public Health on the following: reforming the delivery system for chronic disease prevention and health promotion in Illinois; ensuring adequate funding for infrastructure and delivery of programs; addressing health disparity; and the role of health promotion and chronic disease prevention in support of State spending on health care.

Section 99. Effective date. This Act takes effect upon becoming law.".

Under the rules, the foregoing **Senate Bill No. 2012**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2017

A bill for AN ACT concerning environmental safety.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2017

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2017

AMENDMENT NO. 1. Amend Senate Bill 2017 on page 7, immediately below line 17, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing

them with the Clerk of the House and Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2017**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1920

A bill for AN ACT concerning local government.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1920

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1920

AMENDMENT NO. 1. Amend Senate Bill 1920 by replacing everything after the enacting clause with the following:

"Section 3. The Downstate Public Transportation Act is amended by changing Section 2-7 and adding Section 2-15.3 as follows:

(30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

Sec. 2-7. Quarterly reports; annual audit.

(a) Any Metro-East Transit District participant shall, no later than 60 days following the end of each quarter of any fiscal year, file with the Department on forms provided by the Department for that purpose, a report of the actual operating deficit experienced during that quarter. The Department shall, upon receipt of the quarterly report, determine whether the operating deficits were incurred in conformity with the program of proposed expenditures approved by the Department pursuant to Section 2-11. Any Metro-East District may either monthly or quarterly for any fiscal year file a request for the participant's eligible share, as allocated in accordance with Section 2-6, of the amounts transferred into the Metro-East Public Transportation Fund.

(b) Each participant other than any Metro-East Transit District participant shall, 30 days before the end of each quarter, file with the Department on forms provided by the Department for such purposes a report of the projected eligible operating expenses to be incurred in the next quarter and 30 days before the third and fourth quarters of any fiscal year a statement of actual eligible operating expenses incurred in the preceding quarters. Except as otherwise provided in subsection (b-5), within 45 days of receipt by the Department of such quarterly report, the Comptroller shall order paid and the Treasurer shall pay from the Downstate Public Transportation Fund to each participant an amount equal to one-third of such participant's eligible operating expenses; provided, however, that in Fiscal Year 1997, the amount paid to each participant from the Downstate Public Transportation Fund shall be an amount equal to 47% of such participant's eligible operating expenses and shall be increased to 49% in Fiscal Year 1998, 51% in Fiscal Year 1999, 53% in Fiscal Year 2000, 55% in Fiscal Years 2001 through 2007, and 65% in Fiscal Year 2008 and thereafter; however, in any year that a participant receives funding under subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), that participant shall be eligible only for assistance equal to the following percentage of its eligible operating expenses: 42% in Fiscal Year 1997, 44% in Fiscal Year 1998, 46% in Fiscal Year 1999, 48% in Fiscal Year 2000, and 50% in Fiscal Year 2001 and thereafter. Any such payment for the third and fourth quarters of any

fiscal year shall be adjusted to reflect actual eligible operating expenses for preceding quarters of such fiscal year. However, no participant shall receive an amount less than that which was received in the immediate prior year, provided in the event of a shortfall in the fund those participants receiving less than their full allocation pursuant to Section 2-6 of this Article shall be the first participants to receive an amount not less than that received in the immediate prior year.

(b-5) (Blank.)

(b-10) On July 1, 2008, each participant shall receive an appropriation in an amount equal to 65% of its fiscal year 2008 eligible operating expenses adjusted by the annual 10% increase required by Section 2-2.04 of this Act. In no case shall any participant receive an appropriation that is less than its fiscal year 2008 appropriation. Every fiscal year thereafter, each participant's appropriation shall increase by 10% over the appropriation established for the preceding fiscal year as required by Section 2-2.04 of this Act.

(b-15) Beginning on July 1, 2007, and for each fiscal year thereafter, each participant shall maintain a minimum local share contribution (from farebox and all other local revenues) equal to the actual amount provided in Fiscal Year 2006 or, for new recipients, an amount equivalent to the local share provided in the first year of participation. The local share contribution shall be reduced by an amount equal to the total amount of lost revenue for services provided under Section 2-15.2 and Section 2-15.3 of this Act.

(b-20) Any participant in the Downstate Public Transportation Fund may use State operating assistance pursuant to this Section to provide transportation services within any county that is contiguous to its territorial boundaries as defined by the Department and subject to Departmental approval. Any such contiguous-area service provided by a participant after July 1, 2007 must meet the requirements of subsection (a) of Section 2-5.1.

(c) No later than 180 days following the last day of the Fiscal Year each participant shall provide the Department with an audit prepared by a Certified Public Accountant covering that Fiscal Year. For those participants other than a Metro-East Transit District, any discrepancy between the grants paid and the percentage of the eligible operating expenses provided for by paragraph (b) of this Section shall be reconciled by appropriate payment or credit. In the case of any Metro-East Transit District, any amount of payments from the Metro-East Public Transportation Fund which exceed the eligible deficit of the participant shall be reconciled by appropriate payment or credit.

(Source: P.A. 94-70, eff. 6-22-05; 95-708, eff. 1-18-08.)

(30 ILCS 740/2-15.3 new)

Sec. 2-15.3. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, any participant shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, under such procedures as shall be prescribed by the participant. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

Section 5. The Illinois Pension Code is amended by changing Section 22-101B as follows:

(40 ILCS 5/22-101B)

Sec. 22-101B. Health Care Benefits.

(a) The Chicago Transit Authority (hereinafter referred to in this Section as the "Authority") shall take all actions lawfully available to it to separate the funding of health care benefits for retirees and their dependents and survivors from the funding for its retirement system. The Authority shall endeavor to achieve this separation as soon as possible, and in any event no later than July 1, 2009.

(b) Effective 90 days after the effective date of this amendatory Act of the 95th General Assembly, a Retiree Health Care Trust is established for the purpose of providing health care benefits to eligible retirees and their dependents and survivors in accordance with the terms and conditions set forth in this Section 22-101B. The Retiree Health Care Trust shall be solely responsible for providing health care benefits to eligible retirees and their dependents and survivors by no later than July 1, 2009, but no earlier than January 1, 2009.

(1) The Board of Trustees shall consist of 7 members appointed as follows: (i) 3 trustees shall be appointed by the Chicago Transit Board; (ii) one trustee shall be appointed by an organization representing the highest number of Chicago Transit Authority participants; (iii) one trustee shall be appointed by an organization representing the second-highest number of Chicago Transit Authority participants; (iv) one trustee shall be appointed by the recognized coalition representatives of participants who are not represented by an organization with the highest or

second-highest number of Chicago Transit Authority participants; and (v) one trustee shall be selected by the Regional Transportation Authority Board of Directors, and the trustee shall be a professional fiduciary who has experience in the area of collectively bargained retiree health plans. Trustees shall serve until a successor has been appointed and qualified, or until resignation, death, incapacity, or disqualification.

Any person appointed as a trustee of the board shall qualify by taking an oath of office that he or she will diligently and honestly administer the affairs of the system, and will not knowingly violate or willfully permit the violation of any of the provisions of law applicable to the Plan, including Sections 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois Pension Code.

Each trustee shall cast individual votes, and a majority vote shall be final and binding upon all interested parties, provided that the Board of Trustees may require a supermajority vote with respect to the investment of the assets of the Retiree Health Care Trust, and may set forth that requirement in the trust agreement or by-laws of the Board of Trustees. Each trustee shall have the rights, privileges, authority and obligations as are usual and customary for such fiduciaries.

(2) The Board of Trustees shall establish and administer a health care benefit program for eligible retirees and their dependents and survivors. The health care benefit program for eligible retirees and their dependents and survivors shall not contain any plan which provides for more than 90% coverage for in-network services or 70% coverage for out-of-network services after any deductible has been paid.

(3) The Retiree Health Care Trust shall be administered by the Board of Trustees according to the following requirements:

(i) The Board of Trustees may cause amounts on deposit in the Retiree Health Care Trust to be invested in those investments that are permitted investments for the investment of moneys held under any one or more of the pension or retirement systems of the State, any unit of local government or school district, or any agency or instrumentality thereof. The Board, by a vote of at least two-thirds of the trustees, may transfer investment management to the Illinois State Board of Investment, which is hereby authorized to manage these investments when so requested by the Board of Trustees.

(ii) The Board of Trustees shall establish and maintain an appropriate funding reserve level which shall not be less than the amount of incurred and unreported claims plus 12 months of expected claims and administrative expenses.

(iii) The Board of Trustees shall make an annual assessment of the funding levels of the Retiree Health Care Trust and shall submit a report to the Auditor General at least 90 days prior to the end of the fiscal year. The report shall provide the following:

(A) the actuarial present value of projected benefits expected to be paid to current and future retirees and their dependents and survivors;

(B) the actuarial present value of projected contributions and trust income plus assets;

(C) the reserve required by subsection (b)(3)(ii); and

(D) an assessment of whether the actuarial present value of projected benefits expected to be paid to current and future retirees and their dependents and survivors exceeds or is less than the actuarial present value of projected contributions and trust income plus assets in excess of the reserve required by subsection (b)(3)(ii).

If the actuarial present value of projected benefits expected to be paid to current and future retirees and their dependents and survivors exceeds the actuarial present value of projected contributions and trust income plus assets in excess of the reserve required by subsection (b)(3)(ii), then the report shall provide a plan of increases in employee, retiree, dependent, or survivor contribution levels, decreases in benefit levels, or both, which is projected to cure the shortfall over a period of not more than 10 years. If the actuarial present value of projected benefits expected to be paid to current and future retirees and their dependents and survivors is less than the actuarial present value of projected contributions and trust income plus assets in excess of the reserve required by subsection (b)(3)(ii), then the report may provide a plan of decreases in employee, retiree, dependent, or survivor contribution levels, increases in benefit levels, or both, to the extent of the surplus.

(iv) The Auditor General shall review the report and plan provided in subsection (b)(3)(iii) and issue a determination within 90 days after receiving the report and plan, with a copy of such determination provided to the General Assembly and the Regional Transportation Authority, as follows:

(A) In the event of a projected shortfall, if the Auditor General determines that the assumptions stated in the report are not unreasonable in the aggregate and that the plan of increases in employee, retiree, dependent, or survivor contribution levels, decreases in benefit levels, or both, is reasonably projected to cure the shortfall over a period of not more than 10 years, then the Board of Trustees shall implement the plan. If the Auditor General determines that the assumptions stated in the report are unreasonable in the aggregate, or that the plan of increases in employee, retiree, dependent, or survivor contribution levels, decreases in benefit levels, or both, is not reasonably projected to cure the shortfall over a period of not more than 10 years, then the Board of Trustees shall not implement the plan, the Auditor General shall explain the basis for such determination to the Board of Trustees, and the Auditor General may make recommendations as to an alternative report and plan.

(B) In the event of a projected surplus, if the Auditor General determines that the assumptions stated in the report are not unreasonable in the aggregate and that the plan of decreases in employee, retiree, dependent, or survivor contribution levels, increases in benefit levels, or both, is not unreasonable in the aggregate, then the Board of Trustees shall implement the plan. If the Auditor General determines that the assumptions stated in the report are unreasonable in the aggregate, or that the plan of decreases in employee, retiree, dependent, or survivor contribution levels, increases in benefit levels, or both, is unreasonable in the aggregate, then the Board of Trustees shall not implement the plan, the Auditor General shall explain the basis for such determination to the Board of Trustees, and the Auditor General may make recommendations as to an alternative report and plan.

(C) The Board of Trustees shall submit an alternative report and plan within 45 days after receiving a rejection determination by the Auditor General. A determination by the Auditor General on any alternative report and plan submitted by the Board of Trustees shall be made within 90 days after receiving the alternative report and plan, and shall be accepted or rejected according to the requirements of this subsection (b)(3)(iv). The Board of Trustees shall continue to submit alternative reports and plans to the Auditor General, as necessary, until a favorable determination is made by the Auditor General.

(4) For any retiree who first retires effective on or after January 18, 2008 ~~the effective date of this amendatory Act of the 95th General Assembly~~, to be eligible for retiree health care benefits upon retirement, the retiree must be at least 55 years of age, retire with 10 or more years of continuous service and satisfy the preconditions established by Public Act 95-708 ~~this amendatory Act~~ in addition to any rules or regulations promulgated by the Board of Trustees. Notwithstanding the foregoing, any retiree who retired prior to the effective date of this amendatory Act with 25 years or more of continuous service, or who retires within 90 days after the effective date of this amendatory Act or by January 1, 2009, whichever is later, with 25 years or more of continuous service, shall be eligible for retiree health care benefits upon retirement. This paragraph (4) shall not apply to a disability allowance.

(5) Effective January 1, 2009, the aggregate amount of retiree, dependent and survivor contributions to the cost of their health care benefits shall not exceed more than 45% of the total cost of such benefits. The Board of Trustees shall have the discretion to provide different contribution levels for retirees, dependents and survivors based on their years of service, level of coverage or Medicare eligibility, provided that the total contribution from all retirees, dependents, and survivors shall be not more than 45% of the total cost of such benefits. The term "total cost of such benefits" for purposes of this subsection shall be the total amount expended by the retiree health benefit program in the prior plan year, as calculated and certified in writing by the Retiree Health Care Trust's enrolled actuary to be appointed and paid for by the Board of Trustees.

(6) Effective January 18, 2008 ~~30 days after the establishment of the Retiree Health Care Trust~~, all employees of the Authority shall contribute to the Retiree Health Care Trust in an amount not less than 3% of compensation.

(7) No earlier than January 1, 2009 and no later than July 1, 2009 as the Retiree Health Care Trust becomes solely responsible for providing health care benefits to eligible retirees and their dependents and survivors in accordance with subsection (b) of this Section 22-101B, the Authority shall not have any obligation to provide health care to current or future retirees and their dependents or survivors. Employees, retirees, dependents, and survivors who are required to make contributions to the Retiree Health Care Trust shall make contributions at the level set by the Board of Trustees pursuant to the requirements of this Section 22-101B.

(Source: P.A. 95-708, eff. 1-18-08.)

Section 10. If and only if the provisions of House Bill 656 of the 95th General Assembly become law, the Counties Code is amended by adding Section 6-34000 as follows:

(55 ILCS 5/6-34000 new)

Sec. 6-34000. Report on funds received under the Regional Transportation Authority Act. If the Board of the Regional Transportation Authority adopts an ordinance under Section 4.03 of the Regional Transportation Authority Act imposing a retailers' occupation tax and a service occupation tax at the rate of 0.75% in the counties of DuPage, Kane, Lake, McHenry, and Will, then the County Boards of DuPage, Kane, Lake, McHenry, and Will counties shall each report to the General Assembly and the Commission on Government Forecasting and Accountability by March 1 of the year following the adoption of the ordinance and March 1 of each year thereafter. That report shall include the total amounts received by the County under subsection (n) of Section 4.03 of the Regional Transportation Authority Act and the expenditures and obligations of the County using those funds during the previous calendar year.

Section 15. The Metropolitan Transit Authority Act is amended by adding Section 52 as follows:

(70 ILCS 3605/52 new)

Sec. 52. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, the Board shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, under such procedures as shall be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

Section 20. The Local Mass Transit District Act is amended by adding Section 8.7 as follows:

(70 ILCS 3610/8.7 new)

Sec. 8.7. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, any District shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, under such procedures as shall be prescribed by the District. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

Section 25. The Regional Transportation Authority Act is amended by changing Sections 3A.02, 3A.05, 3A.12, 4.01, 4.09, and 5.01 and adding Sections 3A.16 and 3B.15 as follows:

(70 ILCS 3615/3A.02) (from Ch. 111 2/3, par. 703A.02)

Sec. 3A.02. Suburban Bus Board. The governing body of the Suburban Bus Division shall be a board consisting of 13 ~~12~~ directors appointed as follows:

(a) Six Directors appointed by the members of the Cook County Board elected from that part of Cook County outside of Chicago, or in the event such Board of Commissioners becomes elected from single member districts, by those Commissioners elected from districts, a majority of the residents of which reside outside of Chicago from the chief executive officers of the municipalities, of that portion of Cook County outside of Chicago. Provided however, that:

(i) One of the Directors shall be the chief executive officer of a municipality within the area of the Northwest Region defined in Section 3A.13;

(ii) One of the Directors shall be the chief executive officer of a municipality within the area of the North Central Region defined in Section 3A.13;

(iii) One of the Directors shall be the chief executive officer of a municipality within the area of the North Shore Region defined in Section 3A.13;

(iv) One of the Directors shall be the chief executive officer of a municipality within the area of the Central Region defined in Section 3A.13;

(v) One of the Directors shall be the chief executive officer of a municipality within the area of the Southwest Region defined in Section 3A.13;

(vi) One of the Directors shall be the chief executive officer of a municipality within the area of the South Region defined in Section 3A.13;

(b) One Director by the Chairman of the Kane County Board who shall be a chief executive officer of a municipality within Kane County;

(c) One Director by the Chairman of the Lake County Board who shall be a chief executive officer of a municipality within Lake County;

(d) One Director by the Chairman of the DuPage County Board who shall be a chief executive officer of a municipality within DuPage County;

(e) One Director by the Chairman of the McHenry County Board who shall be a chief executive officer of a municipality within McHenry County;

(f) One Director by the Chairman of the Will County Board who shall be a chief executive officer of a municipality within Will County;

(g) The Commissioner of the Mayor's Office for People with Disabilities, from the City of Chicago, who shall serve as an ex-officio member; and

(h) ~~(g)~~ The Chairman by the Governor for the initial term, and thereafter by a majority of the Chairmen of the DuPage, Kane, Lake, McHenry and Will County Boards and the members of the Cook County Board elected from that part of Cook County outside of Chicago, or in the event such Board of Commissioners is elected from single member districts, by those Commissioners elected from districts, a majority of the electors of which reside outside of Chicago ; and who after the effective date of this amendatory Act of the 95th General Assembly may not be a resident of the City of Chicago.

Each appointment made under paragraphs (a) through (g) and under Section 3A.03 shall be certified by the appointing authority to the Suburban Bus Board which shall maintain the certifications as part of the official records of the Suburban Bus Board; provided that the initial appointments shall be certified to the Secretary of State, who shall transmit the certifications to the Suburban Bus Board following its organization.

For the purposes of this Section, "chief executive officer of a municipality" includes a former chief executive officer of a municipality within the specified Region or County, provided that the former officer continues to reside within such Region or County.

(Source: P.A. 84-1246.)

(70 ILCS 3615/3A.05) (from Ch. 111 2/3, par. 703A.05)

Sec. 3A.05. Appointment of officers and employees. The Suburban Bus Board shall appoint an Executive Director who shall be the chief executive officer of the Division, appointed, retained or dismissed with the concurrence of 9 ~~8~~ of the directors of the Suburban Bus Board. The Executive Director shall appoint, retain and employ officers, attorneys, agents, engineers, employees and shall organize the staff, shall allocate their functions and duties, fix compensation and conditions of employment, and consistent with the policies of and direction from the Suburban Bus Board take all actions necessary to achieve its purposes, fulfill its responsibilities and carry out its powers, and shall have such other powers and responsibilities as the Suburban Bus Board shall determine. The Executive Director shall be an individual of proven transportation and management skills and may not be a member of the Suburban Bus Board. The Division may employ its own professional management personnel to provide professional and technical expertise concerning its purposes and powers and to assist it in assessing the performance of transportation agencies in the metropolitan region.

No unlawful discrimination, as defined and prohibited in the Illinois Human Rights Act, shall be made in any term or aspect of employment nor shall there be discrimination based upon political reasons or factors. The Suburban Bus Board shall establish regulations to insure that its discharges shall not be arbitrary and that hiring and promotion are based on merit.

The Division shall be subject to the "Illinois Human Rights Act", as now or hereafter amended, and the remedies and procedure established thereunder. The Suburban Bus Board shall file an affirmative action program for employment by it with the Department of Human Rights to ensure that applicants are employed and that employees are treated during employment, without regard to unlawful discrimination. Such affirmative action program shall include provisions relating to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, selection for training and rates of pay or other forms of compensation.

(Source: P.A. 83-885; 83-886.)

(70 ILCS 3615/3A.12) (from Ch. 111 2/3, par. 703A.12)

Sec. 3A.12. Working Cash Borrowing. The Suburban Bus Board with the affirmative vote of 9 ~~8~~ of its Directors may demand and direct the Board of the Authority to issue Working Cash Notes at such time and in such amounts and having such maturities as the Suburban Bus Board deems proper, provided however any such borrowing shall have been specifically identified in the budget of the Suburban Bus Board as approved by the Board of the Authority. Provided further, that the Suburban Bus Board may not demand and direct the Board of the Authority to have issued and have outstanding at any time in

excess of $5,000,000 in Working Cash Notes.
(Source: P.A. 83-886.)

(70 ILCS 3615/3A.16 new)

Sec. 3A.16. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, the Suburban Bus Board shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, under such procedures as shall be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

(70 ILCS 3615/3B.15 new)

Sec. 3B.15. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, the Commuter Rail Board shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, under such procedures as shall be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

(70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

Sec. 4.01. Budget and Program.

(a) The Board shall control the finances of the Authority. It shall by ordinance adopted by the affirmative vote of at least 12 of its then Directors (i) appropriate money to perform the Authority's purposes and provide for payment of debts and expenses of the Authority, (ii) take action with respect to the budget and two-year financial plan of each Service Board, as provided in Section 4.11, and (iii) adopt an Annual Budget and Two-Year Financial Plan for the Authority that includes the annual budget and two-year financial plan of each Service Board that has been approved by the Authority. The Annual Budget and Two-Year Financial Plan shall contain a statement of the funds estimated to be on hand for the Authority and each Service Board at the beginning of the fiscal year, the funds estimated to be received from all sources for such year, the estimated expenses and obligations of the Authority and each Service Board for all purposes, including expenses for contributions to be made with respect to pension and other employee benefits, and the funds estimated to be on hand at the end of such year. The fiscal year of the Authority and each Service Board shall begin on January 1st and end on the succeeding December 31st. By July 1st of each year the Director of the Illinois Governor's Office of Management and Budget (formerly Bureau of the Budget) shall submit to the Authority an estimate of revenues for the next fiscal year of the Authority to be collected from the taxes imposed by the Authority and the amounts to be available in the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund and the amounts otherwise to be appropriated by the State to the Authority for its purposes. The Authority shall file a copy of its Annual Budget and Two-Year Financial Plan with the General Assembly and the Governor after its adoption. Before the proposed Annual Budget and Two-Year Financial Plan is adopted, the Authority shall hold at least one public hearing thereon in the metropolitan region, and shall meet with the county board or its designee of each of the several counties in the metropolitan region. After conducting such hearings and holding such meetings and after making such changes in the proposed Annual Budget and Two-Year Financial Plan as the Board deems appropriate, the Board shall adopt its annual appropriation and Annual Budget and Two-Year Financial Plan ordinance. The ordinance may be adopted only upon the affirmative votes of 12 of its then Directors. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Authority, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance may be made from time to time by the Board upon the affirmative votes of 12 of its then Directors.

(b) The Annual Budget and Two-Year Financial Plan shall show a balance between anticipated revenues from all sources and anticipated expenses including funding of operating deficits or the discharge of encumbrances incurred in prior periods and payment of principal and interest when due, and shall show cash balances sufficient to pay with reasonable promptness all obligations and expenses as incurred.

The Annual Budget and Two-Year Financial Plan must show:

(i) that the level of fares and charges for mass transportation provided by, or under grant or purchase of service contracts of, the Service Boards is sufficient to cause the aggregate of all projected fare revenues from such fares and charges received in each fiscal year to equal at least 50% of the aggregate costs of providing such public transportation in such fiscal year. "Fare revenues" include the proceeds of all fares and charges for services provided, contributions received in connection with public transportation from units of local government other than the Authority, except for contributions received by the Chicago Transit Authority from a real estate transfer tax imposed under subsection (i) of Section 8-3-19 of the Illinois Municipal Code, and from the State pursuant to subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), and all other operating revenues properly included consistent with generally accepted accounting principles but do not include: the proceeds of any borrowings, and, beginning with the 2007 fiscal year, all revenues and receipts, including but not limited to fares and grants received from the federal, State or any unit of local government or other entity, derived from providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. "Costs" include all items properly included as operating costs consistent with generally accepted accounting principles, including administrative costs, but do not include: depreciation; payment of principal and interest on bonds, notes or other evidences of obligation for borrowed money issued by the Authority; payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20 of this Act; any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made under Section 4.14; any other cost to which it is reasonably expected that a cash expenditure will not be made; costs for passenger security including grants, contracts, personnel, equipment and administrative expenses, except in the case of the Chicago Transit Authority, in which case the term does not include costs spent annually by that entity for protection against crime as required by Section 27a of the Metropolitan Transit Authority Act; the payment by the Chicago Transit Authority of Debt Service, as defined in Section 12c of the Metropolitan Transit Authority Act, on bonds or notes issued pursuant to that Section; the payment by the Commuter Rail Division of debt service on bonds issued pursuant to Section 3B.09; expenses incurred by the Suburban Bus Division for the cost of new public transportation services funded from grants pursuant to Section 2.01e of this amendatory Act of the 95th General Assembly for a period of 2 years from the date of initiation of each such service; costs as exempted by the Board for projects pursuant to Section 2.09 of this Act; or, beginning with the 2007 fiscal year, expenses related to providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act; and in fiscal years 2008 through 2012 inclusive, costs in the amount of $200,000,000 in fiscal year 2008, reducing by $40,000,000 in each fiscal year thereafter until this exemption is eliminated; and

(ii) that the level of fares charged for ADA paratransit services is sufficient to cause the aggregate of all projected revenues from such fares charged and received in each fiscal year to equal at least 10% of the aggregate costs of providing such ADA paratransit services. ~~in fiscal years 2007 and 2008 and at least 12% of the aggregate costs of providing such ADA paratransit services in fiscal years 2009 and thereafter; for~~ For purposes of this Act, the percentages in this subsection (b)(ii) shall be referred to as the "system generated ADA paratransit services revenue recovery ratio". For purposes of the system generated ADA paratransit services revenue recovery ratio, "costs" shall include all items properly included as operating costs consistent with generally accepted accounting principles. However, the Board may exclude from costs an amount that does not exceed the allowable "capital costs of contracting" for ADA paratransit services pursuant to the Federal Transit Administration guidelines for the Urbanized Area Formula Program.

(c) The actual administrative expenses of the Authority for the fiscal year commencing January 1, 1985 may not exceed $5,000,000. The actual administrative expenses of the Authority for the fiscal year commencing January 1, 1986, and for each fiscal year thereafter shall not exceed the maximum administrative expenses for the previous fiscal year plus 5%. "Administrative expenses" are defined for purposes of this Section as all expenses except: (1) capital expenses and purchases of the Authority on behalf of the Service Boards; (2) payments to Service Boards; and (3) payment of principal and interest on bonds, notes or other evidence of obligation for borrowed money issued by the Authority; (4) costs for passenger security including grants, contracts, personnel, equipment and administrative expenses; (5) payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20 of this Act; and (6) any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made pursuant to Section 4.14.

(d) This subsection applies only until the Department begins administering and enforcing an increased tax under Section 4.03(m) as authorized by this amendatory Act of the 95th General Assembly. After

withholding 15% of the proceeds of any tax imposed by the Authority and 15% of money received by the Authority from the Regional Transportation Authority Occupation and Use Tax Replacement Fund, the Board shall allocate the proceeds and money remaining to the Service Boards as follows: (1) an amount equal to 85% of the proceeds of those taxes collected within the City of Chicago and 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund attributable to retail sales within the City of Chicago shall be allocated to the Chicago Transit Authority; (2) an amount equal to 85% of the proceeds of those taxes collected within Cook County outside the City of Chicago and 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund attributable to retail sales within Cook County outside of the city of Chicago shall be allocated 30% to the Chicago Transit Authority, 55% to the Commuter Rail Board and 15% to the Suburban Bus Board; and (3) an amount equal to 85% of the proceeds of the taxes collected within the Counties of DuPage, Kane, Lake, McHenry and Will shall be allocated 70% to the Commuter Rail Board and 30% to the Suburban Bus Board.

(e) This subsection applies only until the Department begins administering and enforcing an increased tax under Section 4.03(m) as authorized by this amendatory Act of the 95th General Assembly. Moneys received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund shall be allocated among the Authority and the Service Boards as follows: 15% of such moneys shall be retained by the Authority and the remaining 85% shall be transferred to the Service Boards as soon as may be practicable after the Authority receives payment. Moneys which are distributable to the Service Boards pursuant to the preceding sentence shall be allocated among the Service Boards on the basis of each Service Board's distribution ratio. The term "distribution ratio" means, for purposes of this subsection (e) of this Section 4.01, the ratio of the total amount distributed to a Service Board pursuant to subsection (d) of Section 4.01 for the immediately preceding calendar year to the total amount distributed to all of the Service Boards pursuant to subsection (d) of Section 4.01 for the immediately preceding calendar year.

(f) To carry out its duties and responsibilities under this Act, the Board shall employ staff which shall: (1) propose for adoption by the Board of the Authority rules for the Service Boards that establish (i) forms and schedules to be used and information required to be provided with respect to a five-year capital program, annual budgets, and two-year financial plans and regular reporting of actual results against adopted budgets and financial plans, (ii) financial practices to be followed in the budgeting and expenditure of public funds, (iii) assumptions and projections that must be followed in preparing and submitting its annual budget and two-year financial plan or a five-year capital program; (2) evaluate for the Board public transportation programs operated or proposed by the Service Boards and transportation agencies in terms of the goals and objectives set out in the Strategic Plan; (3) keep the Board and the public informed of the extent to which the Service Boards and transportation agencies are meeting the goals and objectives adopted by the Authority in the Strategic Plan; and (4) assess the efficiency or adequacy of public transportation services provided by a Service Board and make recommendations for change in that service to the end that the moneys available to the Authority may be expended in the most economical manner possible with the least possible duplication.

(g) All Service Boards, transportation agencies, comprehensive planning agencies, including the Chicago Metropolitan Agency for Planning, or transportation planning agencies in the metropolitan region shall furnish to the Authority such information pertaining to public transportation or relevant for plans therefor as it may from time to time require. The Executive Director, or his or her designee, shall, for the purpose of securing any such information necessary or appropriate to carry out any of the powers and responsibilities of the Authority under this Act, have access to, and the right to examine, all books, documents, papers or records of a Service Board or any transportation agency receiving funds from the Authority or Service Board, and such Service Board or transportation agency shall comply with any request by the Executive Director, or his or her designee, within 30 days or an extended time provided by the Executive Director.

(h) No Service Board shall undertake any capital improvement which is not identified in the Five-Year Capital Program.

(Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08.)

(70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

Sec. 4.09. Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund.

(a)(1) As soon as possible after the first day of each month, beginning July 1, 1984, upon certification

of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to a special fund in the State Treasury to be known as the Public Transportation Fund an amount equal to 25% of the net revenue, before the deduction of the serviceman and retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from any tax imposed by the Authority pursuant to Sections 4.03 and 4.03.1 and 25% of the amounts deposited into the Regional Transportation Authority tax fund created by Section 4.03 of this Act, from the County and Mass Transit District Fund as provided in Section 6z-20 of the State Finance Act and 25% of the amounts deposited into the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund as provided in Section 6z-17 of the State Finance Act. On the first day of the month following the date that the Department receives revenues from increased taxes under Section 4.03(m) as authorized by this amendatory Act of the 95th General Assembly, in lieu of the transfers authorized in the preceding sentence, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund an amount equal to 25% of the net revenue, before the deduction of the serviceman and retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from (i) 80% of the proceeds of any tax imposed by the Authority at a rate of 1.25% in Cook County, (ii) 75% of the proceeds of any tax imposed by the Authority at the rate of 1% in Cook County, and (iii) one-third of the proceeds of any tax imposed by the Authority at the rate of 0.75% in the Counties of DuPage, Kane, Lake, McHenry, and Will, all pursuant to Section 4.03, and 25% of the net revenue realized from any tax imposed by the Authority pursuant to Section 4.03.1, and 25% of the amounts deposited into the Regional Transportation Authority tax fund created by Section 4.03 of this Act from the County and Mass Transit District Fund as provided in Section 6z-20 of the State Finance Act, and 25% of the amounts deposited into the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund as provided in Section 6z-17 of the State Finance Act. As used in this Section, net revenue realized for a month shall be the revenue collected by the State pursuant to Sections 4.03 and 4.03.1 during the previous month from within the metropolitan region, less the amount paid out during that same month as refunds to taxpayers for overpayment of liability in the metropolitan region under Sections 4.03 and 4.03.1.

(2) On the first day of the month following the effective date of this amendatory Act of the 95th General Assembly and each month thereafter, upon certification by the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund an amount equal to 5% of the net revenue, before the deduction of the serviceman and retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from any tax imposed by the Authority pursuant to Sections 4.03 and 4.03.1 and certified by the Department of Revenue under Section 4.03(n) of this Act to be paid to the Authority and 5% of the amounts deposited into the Regional Transportation Authority tax fund created by Section 4.03 of this Act from the County and Mass Transit District Fund as provided in Section 6z-20 of the State Finance Act, and 5% of the amounts deposited into the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund as provided in Section 6z-17 of the State Finance Act, and 5% of the revenue realized by the Chicago Transit Authority as financial assistance from the City of Chicago from the proceeds of any tax imposed by the City of Chicago under Section 8-3-19 of the Illinois Municipal Code.

(3) As soon as possible after the first day of January, 2009 and each month thereafter, upon certification of the Department of Revenue with respect to the taxes collected under Section 4.03, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund an amount equal to 25% of the net revenue, before the deduction of the serviceman and retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from (i) 20% of the proceeds of any tax imposed by the Authority at a rate of 1.25% in Cook County, (ii) 25% of the proceeds of any tax imposed by the Authority at the rate of 1% in Cook County, and (iii) one-third of the proceeds of any tax imposed by the Authority at the rate of 0.75% in the Counties of DuPage, Kane, Lake, McHenry, and Will, all pursuant to Section 4.03, and the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund (iv) an amount equal to 25% of the revenue realized by the Chicago Transit Authority as financial assistance from the City of Chicago from the proceeds of any tax imposed by the City of Chicago under Section 8-3-19 of the Illinois Municipal Code.

(b)(1) All moneys deposited in the Public Transportation Fund and the Regional

Transportation Authority Occupation and Use Tax Replacement Fund, whether deposited pursuant to

this Section or otherwise, are allocated to the Authority. The Comptroller, as soon as possible after each monthly transfer provided in this Section and after each deposit into the Public Transportation Fund, shall order the Treasurer to pay to the Authority out of the Public Transportation Fund the amount so transferred or deposited. Any Additional State Assistance and Additional Financial Assistance paid to the Authority under this Section shall be expended by the Authority for its purposes as provided in this Act. The balance of the amounts paid to the Authority from the Public Transportation Fund shall be expended by the Authority as provided in Section 4.03.3. The Comptroller, as soon as possible after each deposit into the Regional Transportation Authority Occupation and Use Tax Replacement Fund provided in this Section and Section 6z-17 of the State Finance Act, shall order the Treasurer to pay to the Authority out of the Regional Transportation Authority Occupation and Use Tax Replacement Fund the amount so deposited. Such amounts paid to the Authority may be expended by it for its purposes as provided in this Act. The provisions directing the distributions from the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund provided for in this Section shall constitute an irrevocable and continuing appropriation of all amounts as provided herein. The State Treasurer and State Comptroller are hereby authorized and directed to make distributions as provided in this Section. (2) Provided, however, no moneys deposited under subsection (a) of this Section shall be paid from the Public Transportation Fund to the Authority or its assignee for any fiscal year until the Authority has certified to the Governor, the Comptroller, and the Mayor of the City of Chicago that it has adopted for that fiscal year an Annual Budget and Two-Year Financial Plan meeting the requirements in Section 4.01(b).

(c) In recognition of the efforts of the Authority to enhance the mass transportation facilities under its control, the State shall provide financial assistance ("Additional State Assistance") in excess of the amounts transferred to the Authority from the General Revenue Fund under subsection (a) of this Section. Additional State Assistance shall be calculated as provided in subsection (d), but shall in no event exceed the following specified amounts with respect to the following State fiscal years:

1990	$5,000,000;
1991	$5,000,000;
1992	$10,000,000;
1993	$10,000,000;
1994	$20,000,000;
1995	$30,000,000;
1996	$40,000,000;
1997	$50,000,000;
1998	$55,000,000; and
each year thereafter	$55,000,000.

(c-5) The State shall provide financial assistance ("Additional Financial Assistance") in addition to the Additional State Assistance provided by subsection (c) and the amounts transferred to the Authority from the General Revenue Fund under subsection (a) of this Section. Additional Financial Assistance provided by this subsection shall be calculated as provided in subsection (d), but shall in no event exceed the following specified amounts with respect to the following State fiscal years:

2000	$0;
2001	$16,000,000;
2002	$35,000,000;
2003	$54,000,000;
2004	$73,000,000;
2005	$93,000,000; and
each year thereafter	$100,000,000.

(d) Beginning with State fiscal year 1990 and continuing for each State fiscal year thereafter, the Authority shall annually certify to the State Comptroller and State Treasurer, separately with respect to each of subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act, the following amounts:

(1) The amount necessary and required, during the State fiscal year with respect to which the certification is made, to pay its obligations for debt service on all outstanding bonds or notes issued by the Authority under subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act.

(2) An estimate of the amount necessary and required to pay its obligations for debt service for any bonds or notes which the Authority anticipates it will issue under subdivisions (g)(2) and (g)(3) of Section 4.04 during that State fiscal year.

(3) Its debt service savings during the preceding State fiscal year from refunding or advance refunding of bonds or notes issued under subdivisions (g)(2) and (g)(3) of Section 4.04.

(4) The amount of interest, if any, earned by the Authority during the previous State fiscal year on the proceeds of bonds or notes issued pursuant to subdivisions (g)(2) and (g)(3) of Section 4.04, other than refunding or advance refunding bonds or notes.

The certification shall include a specific schedule of debt service payments, including the date and amount of each payment for all outstanding bonds or notes and an estimated schedule of anticipated debt service for all bonds and notes it intends to issue, if any, during that State fiscal year, including the estimated date and estimated amount of each payment.

Immediately upon the issuance of bonds for which an estimated schedule of debt service payments was prepared, the Authority shall file an amended certification with respect to item (2) above, to specify the actual schedule of debt service payments, including the date and amount of each payment, for the remainder of the State fiscal year.

On the first day of each month of the State fiscal year in which there are bonds outstanding with respect to which the certification is made, the State Comptroller shall order transferred and the State Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund the Additional State Assistance and Additional Financial Assistance in an amount equal to the aggregate of (i) one-twelfth of the sum of the amounts certified under items (1) and (3) above less the amount certified under item (4) above, plus (ii) the amount required to pay debt service on bonds and notes issued during the fiscal year, if any, divided by the number of months remaining in the fiscal year after the date of issuance, or some smaller portion as may be necessary under subsection (c) or (c-5) of this Section for the relevant State fiscal year, plus (iii) any cumulative deficiencies in transfers for prior months, until an amount equal to the sum of the amounts certified under items (1) and (3) above, plus the actual debt service certified under item (2) above, less the amount certified under item (4) above, has been transferred; except that these transfers are subject to the following limits:

(A) In no event shall the total transfers in any State fiscal year relating to outstanding bonds and notes issued by the Authority under subdivision (g)(2) of Section 4.04 exceed the lesser of the annual maximum amount specified in subsection (c) or the sum of the amounts certified under items (1) and (3) above, plus the actual debt service certified under item (2) above, less the amount certified under item (4) above, with respect to those bonds and notes.

(B) In no event shall the total transfers in any State fiscal year relating to outstanding bonds and notes issued by the Authority under subdivision (g)(3) of Section 4.04 exceed the lesser of the annual maximum amount specified in subsection (c-5) or the sum of the amounts certified under items (1) and (3) above, plus the actual debt service certified under item (2) above, less the amount certified under item (4) above, with respect to those bonds and notes.

The term "outstanding" does not include bonds or notes for which refunding or advance refunding bonds or notes have been issued.

(e) Neither Additional State Assistance nor Additional Financial Assistance may be pledged, either directly or indirectly as general revenues of the Authority, as security for any bonds issued by the Authority. The Authority may not assign its right to receive Additional State Assistance or Additional Financial Assistance, or direct payment of Additional State Assistance or Additional Financial Assistance, to a trustee or any other entity for the payment of debt service on its bonds.

(f) The certification required under subsection (d) with respect to outstanding bonds and notes of the Authority shall be filed as early as practicable before the beginning of the State fiscal year to which it relates. The certification shall be revised as may be necessary to accurately state the debt service requirements of the Authority.

(g) Within 6 months of the end of each fiscal year, the Authority shall determine:

(i) whether the aggregate of all system generated revenues for public transportation in the metropolitan region which is provided by, or under grant or purchase of service contracts with, the Service Boards equals 50% of the aggregate of all costs of providing such public transportation. "System generated revenues" include all the proceeds of fares and charges for services provided, contributions received in connection with public transportation from units of local government other than the Authority, except for contributions received by the Chicago Transit Authority from a real estate transfer tax imposed under subsection (i) of Section 8-3-19 of the Illinois Municipal Code, and from the State pursuant to subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), and all other revenues properly included consistent with generally accepted accounting principles but may not include: the proceeds from any borrowing, and, beginning with the 2007 fiscal year, all revenues and receipts, including but not limited to fares and grants received from the federal, State or any unit of local government or other entity, derived from providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. "Costs" include all items properly included as operating costs consistent with generally accepted

accounting principles, including administrative costs, but do not include: depreciation; payment of principal and interest on bonds, notes or other evidences of obligations for borrowed money of the Authority; payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20; any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made under Section 4.14; any other cost as to which it is reasonably expected that a cash expenditure will not be made; costs for passenger security including grants, contracts, personnel, equipment and administrative expenses, except in the case of the Chicago Transit Authority, in which case the term does not include costs spent annually by that entity for protection against crime as required by Section 27a of the Metropolitan Transit Authority Act; the costs of Debt Service paid by the Chicago Transit Authority, as defined in Section 12c of the Metropolitan Transit Authority Act, or bonds or notes issued pursuant to that Section; the payment by the Commuter Rail Division of debt service on bonds issued pursuant to Section 3B.09; expenses incurred by the Suburban Bus Division for the cost of new public transportation services funded from grants pursuant to Section 2.01e of this amendatory Act of the 95th General Assembly for a period of 2 years from the date of initiation of each such service; costs as exempted by the Board for projects pursuant to Section 2.09 of this Act; or, beginning with the 2007 fiscal year, expenses related to providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act; or in fiscal years 2008 through 2012 inclusive, costs in the amount of $200,000,000 in fiscal year 2008, reducing by $40,000,000 in each fiscal year thereafter until this exemption is eliminated. If said system generated revenues are less than 50% of said costs, the Board shall remit an amount equal to the amount of the deficit to the State. The Treasurer shall deposit any such payment in the General Revenue Fund; and

(ii) whether, beginning with the 2007 fiscal year, the aggregate of all fares charged and received for ADA paratransit services equals the system generated ADA paratransit services revenue recovery ratio percentage of the aggregate of all costs of providing such ADA paratransit services.

(h) If the Authority makes any payment to the State under paragraph (g), the Authority shall reduce the amount provided to a Service Board from funds transferred under paragraph (a) in proportion to the amount by which that Service Board failed to meet its required system generated revenues recovery ratio. A Service Board which is affected by a reduction in funds under this paragraph shall submit to the Authority concurrently with its next due quarterly report a revised budget incorporating the reduction in funds. The revised budget must meet the criteria specified in clauses (i) through (vi) of Section 4.11(b)(2). The Board shall review and act on the revised budget as provided in Section 4.11(b)(3).
(Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08.)

(70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

Sec. 5.01. Hearings and Citizen Participation.

(a) The Authority shall provide for and encourage participation by the public in the development and review of public transportation policy, and in the process by which major decisions significantly affecting the provision of public transportation are made. The Authority shall coordinate such public participation processes with the Chicago Metropolitan Agency for Planning to the extent practicable.

(b) The Authority shall hold such public hearings as may be required by this Act or as the Authority may deem appropriate to the performance of any of its functions. The Authority shall coordinate such public hearings with the Chicago Metropolitan Agency for Planning to the extent practicable.

(c) Unless such items are specifically provided for either in the Five-Year Capital Program or in the annual budget program which has been the subject of public hearings as provided in Sections 2.01 or 4.01 of this Act, the Board shall hold public hearings at which citizens may be heard prior to:

(i) the construction or acquisition of any public transportation facility, the aggregate cost of which exceeds $5 million; and

(ii) the extension of, or major addition to services provided by the Authority or by any transportation agency pursuant to a purchase of service agreement with the Authority.

(d) Unless such items are specifically provided for in the annual budget and program which has been the subject of public hearing, as provided in Section 4.01 of this Act, the Board shall hold public hearings at which citizens may be heard prior to the providing for or allowing, by means of any purchase of service agreement or any grant pursuant to Section 2.02 of this Act, ~~any general increase or series of increases in fares or charges for public transportation, whether by the Authority or by any transportation agency, which increase or series of increases within any twelve months affects more than 25% of the consumers of service of the Authority or of the transportation agency;~~ or so providing for or allowing any discontinuance of any public transportation route, or major portion thereof, which has been in service for more than a year.

(e) At least twenty days prior notice of any public hearing, as required in this Section, shall be given

by public advertisement in a newspaper of general circulation in the metropolitan region.

(e-5) With respect to any increase in fares or charges for public transportation, whether by the Authority or by any Service Board or transportation agency, a public hearing must be held in each county in which the fare increase takes effect. Notice of the public hearing shall be given at least 20 days prior to the hearing and at least 30 days prior to the effective date of any fare increase. Notice shall be given by public advertisement in a newspaper of general circulation in the metropolitan region and must also be sent to the Governor and to each member of the General Assembly whose district overlaps in whole or in part with the area in which the increase takes effect. The notice must state the date, time, and place of the hearing and must contain a description of the proposed increase. The notice must also specify how interested persons may obtain copies of any reports, resolutions, or certificates describing the basis upon which the increase was calculated.

(f) The Authority may designate one or more Directors or may appoint one or more hearing officers to preside over any hearing pursuant to this Act. The Authority shall have the power in connection with any such hearing to issue subpoenas to require the attendance of witnesses and the production of documents, and the Authority may apply to any circuit court in the State to require compliance with such subpoenas.

(g) The Authority may require any Service Board to hold one or more public hearings with respect to any item described in paragraphs (c), ~~and~~ (d) , and (e-5) of this Section 5.01, notwithstanding whether such item has been the subject of a public hearing under this Section 5.01 or Section 2.01 or 4.01 of this Act.

(Source: P.A. 95-708, eff. 1-18-08.)

Section 99. Effective date. This Act takes effect upon becoming law.".

Under the rules, the foregoing **Senate Bill No. 1920**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2071

A bill for AN ACT concerning education.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2071

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2071

AMENDMENT NO. 1. Amend Senate Bill 2071 as follows:

on page 5, line 12, after the period, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 25, immediately below line 11, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 36, immediately below line 13, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 37, line 16, after the period, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2071**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2077

A bill for AN ACT concerning local government.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2077

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2077

AMENDMENT NO. 1. Amend Senate Bill 2077 on page 14, immediately below line 26, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2077**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2080

A bill for AN ACT concerning the Uniform Commercial Code.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2080

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2080

AMENDMENT NO. 1. Amend Senate Bill 2080 on page 7, by replacing lines 10 through 17 with the following:

"Sec. 1-108. Relation to Electronic Signatures in Global and National Commerce Act. ~~Severability.~~ This Article modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001 et seq., except that nothing in this Article modifies, limits, or supersedes 15 U.S.C. Section 7001(c) or authorizes electronic delivery of any of the notices described in 15 U.S.C. Section 7003(b).".

Under the rules, the foregoing **Senate Bill No. 2080**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2187

A bill for AN ACT concerning regulation.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2187

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2187

AMENDMENT NO. 1. Amend Senate Bill 2187 as follows:

on page 3, immediately below line 20, by inserting the following:

"(d) Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 8, immediately below line 23, by inserting the following:

"(4) Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 10, immediately below line 3, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois

Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor."; and

on page 12, immediately below line 18, by inserting the following:

"(f) Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and the Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2187**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2199

A bill for AN ACT concerning aging.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2199

Passed the House, as amended, May 29, 2008.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2199

AMENDMENT NO. 1. Amend Senate Bill 2199 on page 8, after line 20, by inserting the following:

"Notwithstanding any other rulemaking authority that may exist, neither the Governor nor any agency or agency head under the jurisdiction of the Governor has any authority to make or promulgate rules to implement or enforce the provisions of this amendatory Act of the 95th General Assembly. If, however, the Governor believes that rules are necessary to implement or enforce the provisions of this amendatory Act of the 95th General Assembly, the Governor may suggest rules to the General Assembly by filing them with the Clerk of the House and Secretary of the Senate and by requesting that the General Assembly authorize such rulemaking by law, enact those suggested rules into law, or take any other appropriate action in the General Assembly's discretion. Nothing contained in this amendatory Act of the 95th General Assembly shall be interpreted to grant rulemaking authority under any other Illinois statute where such authority is not otherwise explicitly given. For the purposes of this amendatory Act of the 95th General Assembly, "rules" is given the meaning contained in Section 1-70 of the Illinois Administrative Procedure Act, and "agency" and "agency head" are given the meanings contained in Sections 1-20 and 1-25 of the Illinois Administrative Procedure Act to the extent that such definitions apply to agencies or agency heads under the jurisdiction of the Governor.".

Under the rules, the foregoing **Senate Bill No. 2199**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1129

A bill for AN ACT concerning appropriations.

SENATE BILL NO. 2190

A bill for AN ACT concerning elections.

SENATE BILL NO. 2191

A bill for AN ACT concerning elections.
Passed the House, May 29, 2008.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 2051

A bill for AN ACT concerning criminal law.

SENATE BILL NO. 2053

A bill for AN ACT concerning courts.

SENATE BILL NO. 2070

A bill for AN ACT concerning local government.

SENATE BILL NO. 2182

A bill for AN ACT concerning transportation.
Passed the House, May 29, 2008.

MARK MAHONEY, Clerk of the House

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendment 1 to Senate Bill 1920
Motion to Concur in House Amendment 1 to Senate Bill 2012

At the hour of 6:30 o'clock p.m., the Chair announced that the Senate stand adjourned until Friday, May 30, 2008, at 11:00 o'clock a.m.