



SENATE JOURNAL

STATE OF ILLINOIS

NINETY-SIXTH GENERAL ASSEMBLY

102ND LEGISLATIVE DAY

WEDNESDAY, MARCH 24, 2010

10:28 O'CLOCK A.M.

SENATE
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102nd Legislative Day

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The Senate met pursuant to adjournment.
 Senator Kimberly A. Lightford, Maywood, Illinois, presiding.
 Prayer by Reverend Jonathan Dixon, Riverton Methodist Church, Riverton, Illinois.
 Senator Jacobs led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Tuesday, March 23, 2010, be postponed, pending arrival of the printed Journal.
 The motion prevailed.

REPORT RECEIVED

The Secretary placed before the Senate the following report:

IDHHC 2009 Annual Report, Fiscal Year July 1, 2008 – June 30, 2009, submitted by the Illinois Deaf and Hard of Hearing Commission.

The foregoing report was ordered received and placed on file in the Secretary's Office.

LEGISLATIVE MEASURES FILED

The following Committee amendment to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Senate Committee Amendment No. 3 to Senate Bill 2494

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

Senate Floor Amendment No. 2 to Senate Bill 618
 Senate Floor Amendment No. 3 to Senate Bill 935
 Senate Floor Amendment No. 1 to Senate Bill 2545
 Senate Floor Amendment No. 1 to Senate Bill 2925
 Senate Floor Amendment No. 1 to Senate Bill 3106
 Senate Floor Amendment No. 3 to Senate Bill 3267
 Senate Floor Amendment No. 1 to Senate Bill 3344

REPORTS FROM STANDING COMMITTEES

Senator Meeks, Chairperson of the Committee on Education, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 3266

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred **House Bills Numbered 4715, 4738, 4776, 4807 and 4895**, reported the same back with the recommendation that the bills do pass.

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

[March 24, 2010]

Senator Koehler, Chairperson of the Committee on Local Government, to which was referred **House Bills Numbered 4639, 4710, 4758 and 4945**, reported the same back with the recommendation that the bills do pass.

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

PRESENTATION OF RESOLUTION

Senator Kotowski offered the following Senate Resolution, which was referred to the Committee on Assignments:

SENATE RESOLUTION NO. 729

WHEREAS, Purple Day is a global effort dedicated to promoting epilepsy awareness in countries around the world; and

WHEREAS, Epilepsy is one of the most common neurological conditions, estimated to affect over 50 million people worldwide and over 3 million people in the United States; and

WHEREAS, More than 130,000 Illinoisans suffer from epilepsy; and

WHEREAS, One in ten persons will have at least one seizure during his or her lifetime; and

WHEREAS, The public is often unable to recognize common seizure types, or how to respond with appropriate first aid; and

WHEREAS, Purple Day will be celebrated on March 26 annually to increase understanding, reduce stigma, and improve the quality of life for people with epilepsy throughout the country and the world; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we designate March 26, 2010, as "Purple Day" in the State of Illinois in an effort to raise awareness of epilepsy in the United States and Illinois; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the Purple Day Organization with our support and respect.

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 passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 4674

A bill for AN ACT concerning education.

HOUSE BILL NO. 5057

A bill for AN ACT concerning State government.

HOUSE BILL NO. 5846

A bill for AN ACT concerning transportation.

HOUSE BILL NO. 5966

A bill for AN ACT concerning criminal law.

HOUSE BILL NO. 6213

A bill for AN ACT concerning criminal law.

Passed the House, March 23, 2010.

MARK MAHONEY, Clerk of the House

[March 24, 2010]

The foregoing **House Bills Numbered 4674, 5057, 5846, 5966 and 6213** 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 bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 4982

A bill for AN ACT concerning transportation.

HOUSE BILL NO. 5402

A bill for AN ACT concerning criminal law.

Passed the House, March 23, 2010.

MARK MAHONEY, Clerk of the House

The foregoing **House Bills Numbered 4982 and 5402** 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. 6092

A bill for AN ACT concerning education.

Passed the House, March 23, 2010.

MARK MAHONEY, Clerk of the House

The foregoing **House Bill No. 6092** was taken up, ordered printed and placed on first reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 4674, sponsored by Senator Demuzio, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 4858, sponsored by Senator Hutchinson, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 4928, sponsored by Senator Delgado, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5053, sponsored by Senator Forby, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5057, sponsored by Senator Raoul, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5282, sponsored by Senator Cronin, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5340, sponsored by Senator Holmes, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5341, sponsored by Senator Holmes, was taken up, read by title a first time and referred to the Committee on Assignments.

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House Bill No. 5407, sponsored by Senator Delgado, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5515, sponsored by Senator Haine, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5838, sponsored by Senator Althoff, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5858, sponsored by Senator Frerichs, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5863, sponsored by Senator Cronin, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5951, sponsored by Senator Schoenberg, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5960, sponsored by Senator Crotty, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5966, sponsored by Senator Righter, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6041, sponsored by Senator Millner, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6077, sponsored by Senator Link, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6101, sponsored by Senator Hutchinson, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6359, sponsored by Senator Viverito, was taken up, read by title a first time and referred to the Committee on Assignments.

MESSAGES FROM THE PRESIDENT

**OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, ILLINOIS 62706

March 24, 2010

Ms. Jillayne Rock
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-5(c), I hereby appoint Senator James DeLeo to temporarily replace Senator James Clayborne as a member of the Senate Committee on Assignments. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Committee on Assignments.

[March 24, 2010]

Sincerely,
s/John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

**OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, ILLINOIS 62706

March 24, 2010

Ms. Jillayne Rock
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Deanna Demuzio to temporarily replace Senator Kwame Raoul as a member of the Senate Pensions & Investments Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Pensions & Investments Committee.

Sincerely,
s/John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

At the hour of 10:44 o'clock a.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 11:10 o'clock a.m., the Senate resumed consideration of business.
Senator Lightford, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator DeLeo, Chairperson of the Committee on Assignments, during its March 24, 2010 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Criminal Law: **Senate Floor Amendment No. 2 to Senate Bill 3796.**

Environment: **Senate Floor Amendment No. 1 to Senate Bill 3344.**

Executive: **Senate Floor Amendment No. 1 to Senate Bill 2925.**

Executive Subcommittee on Education: **Senate Committee Amendment No. 3 to Senate Bill 2494.**

Financial Institutions: **Senate Floor Amendment No. 2 to Senate Bill 3781.**

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Human Services: **Senate Floor Amendment No. 1 to Senate Bill 2545; Senate Floor Amendment No. 3 to Senate Bill 3267.**

Judiciary: **Senate Floor Amendment No. 2 to Senate Bill 3064.**

Local Government: **Senate Floor Amendment No. 2 to Senate Bill 580.**

Pensions and Investments: **Senate Floor Amendment No. 3 to Senate Bill 2547.**

Public Health: **Senate Floor Amendment No. 1 to Senate Bill 3822.**

Revenue: **Senate Floor Amendment No. 3 to Senate Bill 2505; Senate Floor Amendment No. 1 to Senate Bill 3106.**

State Government and Veterans Affairs: **Senate Floor Amendment No. 1 to Senate Bill 2871; Senate Floor Amendment No. 2 to Senate Bill 3215.**

Transportation: **Senate Floor Amendment No. 2 to Senate Bill 935; Senate Floor Amendment No. 3 to Senate Bill 935.**

Senator DeLeo, Chairperson of the Committee on Assignments, during its March 24, 2010 meeting, reported that the following Legislative Measures have been approved for consideration:

House Joint Resolution No. 89; Senate Resolution No. 729

The foregoing resolutions were placed on the Secretary's Desk.

COMMITTEE MEETING ANNOUNCEMENTS

The Chair announced the following committee meetings:

Executive Subcommittee on Education in Room 212 at 12:00 o'clock p.m.
 Revenue in Room 400 at 12:00 o'clock p.m.
 Executive Committee in Room 212 at 12:30 o'clock p.m.
 Public Health in Room 212 at 1:30 o'clock p.m.
 Human Services in Room 212 at 1:45 o'clock p.m.
 Judiciary in Room 400 at 1:45 o'clock p.m.
 State Government and Veterans Affairs in Room 409 at 2:00 o'clock p.m.
 Transportation in Room 400 at 2:20 o'clock p.m.
 Criminal Law in Room 212 at 2:40 o'clock p.m.
 Environment in Room 400 at 2:40 o'clock p.m.
 Local Government in Room 409 at 2:40 o'clock p.m.
 Pensions and Investments in Room 409 at 3:00 o'clock p.m.
 Financial Institutions in Room 400 at 3:15 o'clock p.m.
 Appropriations II in Room 212 at 4:00 o'clock p.m.

At the hour of 11:04 o'clock a.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 11:11 o'clock a.m., the Senate resumed consideration of business.
 Senator Lightford, presiding.

CONSIDERATION OF RESOLUTION ON SECRETARY'S DESK

[March 24, 2010]

Senator Schoenberg moved that **Senate Resolution No. 625**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Schoenberg moved that Senate Resolution No. 625 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Muñoz asked and obtained unanimous consent to recess for the purpose of a Democrat caucus.

Senator Burzynski asked and obtained unanimous consent to recess for the purpose of a Republican caucus.

At the hour of 11:17 o'clock a.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 4:43 o'clock p.m., the Senate resumed consideration of business.

Senator Lightford, presiding.

LEGISLATIVE MEASURES FILED

The following Floor amendment to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 2 to Senate Bill 3750

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

Senate Floor Amendment No. 2 to House Bill 859

REPORTS FROM STANDING COMMITTEES

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred **Senate Bills Numbered 2494 and 3522**, 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.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 2925

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Demuzio, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **House Bill No. 5412**, reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

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Senator Delgado, Chairperson of the Committee on Public Health, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 3822

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Hunter, Chairperson of the Committee on Human Services, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 2545
Senate Amendment No. 3 to Senate Bill 3267

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Wilhelmi, Chairperson of the Committee on Judiciary, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 3064

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Sandoval, Chairperson of the Committee on Transportation, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 3 to Senate Bill 935

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 3796

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Garrett, Chairperson of the Committee on Environment, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 3344

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Koehler, Chairperson of the Committee on Local Government, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 580

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Martinez, Vice-Chairperson of the Committee on Pensions and Investments, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

[March 24, 2010]

Senate Amendment No. 2 to Senate Bill 2547
Senate Amendment No. 3 to Senate Bill 2547

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 3781

Under the rules, the foregoing floor amendment is eligible for consideration on 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 concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1578

A bill for AN ACT concerning business.

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. 1578

Passed the House, as amended, March 24, 2010.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1578

AMENDMENT NO. 1. Amend Senate Bill 1578 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Small Business Job Creation Tax Credit Act.

Section 5. Findings and purpose. The General Assembly finds that the Illinois economy is mired in one of the worst economic recessions it has ever suffered. Small businesses in particular have been hit hard by the economy, resulting in levels of high unemployment throughout the State. In order to reverse the trend of high unemployment and to help spur the economy to recovery, it is necessary to assist and encourage small businesses in the hiring of new employees.

Section 10. Definitions. In this Act:

"Applicant" means a person that is operating a business located within the State of Illinois that is engaged in interstate or intrastate commerce and has no more than 50 full-time employees, without regard to the location of employment of such employees at the beginning of the incentive period. In the case of any person that is a member of a unitary business group within the meaning of subdivision (a)(27) of Section 1501 of the Illinois Income Tax Act, "applicant" refers to the unitary business group.

"Certificate" means the tax credit certificate issued by the Department under Section 35 of this Act.

"Certificate of eligibility" means the certificate issued by the Department under Section 20 of this Act.

"Credit" means the amount awarded by the Department to an applicant by issuance of a certificate under Section 35 of this Act for each new full-time equivalent employee hired or job created.

"Department" means the Department of Commerce and Economic Opportunity.

"Director" means the Director of the Department.

"Full-time employee" means an individual who is employed for a basic wage for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment.

"Incentive period" means the period beginning July 1, 2010 and ending on June 30, 2011.

"Basic wage" means compensation for employment that is no less than \$13.75 per hour or the

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equivalent salary for a new employee.

"New employee" means a full-time employee first employed by an applicant within the incentive period whose hire results in a net increase in the applicant's full-time Illinois employees and who is receiving a basic wage as compensation. The term "new employee" does not include:

- (1) a person who was previously employed in Illinois by the applicant or a related member prior to the onset of the incentive period; or
- (2) any individual who has a direct or indirect ownership interest of at least 5% in the profits, capital, or value of the applicant or a related member.

"Noncompliance date" means, in the case of an applicant that is not complying with the requirements of the provisions of this Act, the day following the last date upon which the taxpayer was in compliance with the requirements of the provisions of this Act, as determined by the Director, pursuant to Section 45 of this Act.

"Related member" means a person that, with respect to the applicant during any portion of the incentive period, is any one of the following,

- (1) An individual, if the individual and the members of the individual's family (as defined in Section 318 of the Internal Revenue Code) own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the outstanding profits, capital, stock, or other ownership interest in the applicant.

- (2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

- (3) A corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the applicant and any other related member own, in the aggregate, directly, indirectly, beneficially, or constructively, at least 50% of the value of the corporation's outstanding stock.

- (4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

- (5) A person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code, except that for purposes of determining whether a person is a related member under this paragraph, "20%" shall be substituted for "5%" whenever "5%" appears in Section 1563(e) of the Internal Revenue Code.

Section 15. Powers of the Department. The Department, in addition to those powers granted under the Civil Administrative Code of Illinois, is granted and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, but not limited to, power and authority to:

- (1) Promulgate procedures, rules, or regulations deemed necessary and appropriate for the administration of this Act; establish forms for applications, notifications, contracts, or any other agreements; and accept applications at any time during the year and require that all applications be submitted via the Internet. The Department shall require that applications be submitted in electronic form.

- (2) Provide guidance and assistance to applicants pursuant to the provisions of this Act, and cooperate with applicants to promote, foster, and support job creation within the State.

- (3) Enter into agreements and memoranda of understanding for participation of and engage in cooperation with agencies of the federal government, units of local government, universities, research foundations or institutions, regional economic development corporations, or other organizations for the purposes of this Act.

- (4) Gather information and conduct inquiries, in the manner and by the methods it deems desirable, including, without limitation, gathering information with respect to applicants for the purpose of making any designations or certifications necessary or desirable or to gather information in furtherance of the purposes of this Act.

- (5) Establish, negotiate, and effectuate any term, agreement, or other document with any person necessary or appropriate to accomplish the purposes of this Act; and consent, subject to the provisions of any agreement with another party, to the modification or restructuring of any agreement to which the Department is a party.

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(6) Provide for sufficient personnel to permit administration, staffing, operation, and related support required to adequately discharge its duties and responsibilities described in this Act from funds made available through charges to applicants or from funds as may be appropriated by the General Assembly for the administration of this Act.

(7) Require applicants, upon written request, to issue any necessary authorization to the appropriate federal, State, or local authority or any other person for the release to the Department of information requested by the Department, with the information requested to include, but not be limited to, financial reports, returns, or records relating to the applicant or to the amount of credit allowable under this Act.

(8) Require that an applicant shall at all times keep proper books of record and account in accordance with generally accepted accounting principles consistently applied, with the books, records, or papers related to the agreement in the custody or control of the applicant open for reasonable Department inspection and audits, and including, without limitation, the making of copies of the books, records, or papers.

(9) Take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or participation required under this Act, including the power to sell, dispose of, lease, or rent, upon terms and conditions determined by the Director to be appropriate, real or personal property that the Department may recover as a result of these actions.

Section 20. Certificate of eligibility for tax credit.

(a) An applicant that has hired a new employee during the incentive period may apply for a certificate of eligibility for the credit with respect to that position on or after the date of hire of the new employee. The date of hire shall be the first day on which the employee begins providing services for basic wage compensation.

(b) An applicant may apply for a certificate of eligibility for the credit for more than one new employee on or after the date of hire of each qualifying new employee.

(c) After receipt of an application under this Section, the Department shall issue a certificate of eligibility to the applicant, stating:

(1) The date and time on which the application was received by the Department and an identifying number assigned to the applicant by the Department.

(2) The maximum amount of the credit the applicant could potentially receive under this Act with respect to the new employees listed on the application.

(3) The maximum amount of the credit potentially allowable on certificates of eligibility issued for applications received prior to the application for which the certificate of eligibility is issued.

Section 25. Tax credit.

(a) Subject to the conditions set forth in this Act, an applicant is entitled to a credit against payment of taxes withheld under Section 704A of the Illinois Income Tax Act for calendar years ending on or after the date that is 12 months after the date of hire of a new employee. The credit shall be allowed as a credit to an applicant for each full-time employee hired during the incentive period that results in a net increase in full-time Illinois employees, where the net increase in the employer's full-time Illinois employees is maintained for at least 12 months.

(b) The Department shall make credit awards under this Act to further job creation.

(c) The credit shall be claimed for the first calendar year ending on or after the date on which the certificate is issued by the Department.

(d) The credit shall not exceed \$2,500 per new employee hired.

(e) The net increase in full-time Illinois employees, measured on an annual full-time equivalent basis, shall be the total number of full-time Illinois employees of the applicant on June 30, 2011, minus the number of full-time Illinois employees employed by the employer on July 1, 2010. For purposes of the calculation, an employer that begins doing business in this State during the incentive period, as determined by the Director, shall be treated as having zero Illinois employees on July 1, 2010.

(f) The net increase in the number of full-time Illinois employees of the applicant must be sustained continuously for at least 12 months, starting with the date of hire of a new employee during the incentive period. Eligibility for the credit does not depend on the continuous employment of any particular individual. For purposes of this subsection (f), if a new employee ceases to be employed before the completion of the 12-month period for any reason, the net increase in the number of full-time Illinois employees shall be treated as continuous if a different new employee is hired as a replacement within a

reasonable time for the same position.

Section 30. Maximum amount of credits allowed. The Department shall limit the monetary amount of credits awarded under this Act to no more than \$50,000,000. If applications for a greater amount are received, credits shall be allowed on a first-come-first-served basis, based on the date on which each properly completed application for a certificate of eligibility is received by the Department. If more than one certificate of eligibility is received on the same day, the credits will be awarded based on the time of submission for that particular day.

Section 35. Application for award of tax credit; tax credit certificate.

(a) On or after the conclusion of the 12-month period after a new employee has been hired, an applicant shall file with the Department an application for award of a credit. The application shall include the following:

(1) The names, Social Security numbers, job descriptions, salary or wage rates, and dates of hire of the new employees with respect to whom the credit is being requested.

(2) A certification that each new employee listed has been retained on the job for one year from the date of hire.

(3) The number of new employees hired by the applicant during the incentive period.

(4) The net increase in the number of full-time Illinois employees of the applicant (including the new employees listed in the request) between the beginning of the incentive period and the dates on which the new employees listed in the request were hired.

(5) An agreement that the Director is authorized to verify with the appropriate State agencies the information contained in the request before issuing a certificate to the applicant.

(6) Any other information the Department determines to be appropriate.

(b) Although an application may be filed at any time after the conclusion of the 12-month period after a new employee was hired, an application filed more than 90 days after the earliest date on which it could have been filed shall not be awarded any credit if, prior to the date it is filed, the Department has received applications under this Section for credits totaling more than \$50,000,000.

(c) The Department shall issue a certificate to each applicant awarded a credit under this Act. The certificate shall include the following:

(1) The name and taxpayer identification number of the applicant.

(2) The date on which the certificate is issued.

(3) The credit amount that will be allowed.

(4) Any other information the Department determines to be appropriate.

Section 40. Submission of tax credit certificate to Department of Revenue. An applicant claiming a credit under this Act shall submit to the Department of Revenue a copy of each certificate issued under Section 35 of this Act with the first return for which the credit shown on the certificate is claimed. However, failure to submit a copy of the certificate with the applicant's return shall not invalidate a claim for a credit.

Section 45. Noncompliance with Act. If the Director determines that an applicant who has received a credit under this Act is not complying with the requirements of the provisions of this Act, the Director shall provide notice to the applicant of the alleged noncompliance, and allow the taxpayer a hearing under the provisions of the Illinois Administrative Procedure Act. If, after such notice and any hearing, the Director determines that a noncompliance exists, the Director shall issue to the Department of Revenue notice to that effect, stating the noncompliance date.

Section 50. Rules. The Department may adopt rules necessary to implement this Act. The rules may provide for recipients of credits under this Act to be charged fees to cover administrative costs of the tax credit program.

Section 90. The Illinois Income Tax Act is amended by changing Section 704A as follows:
(35 ILCS 5/704A)

Sec. 704A. Employer's return and payment of tax withheld.

(a) In general, every employer who deducts and withholds or is required to deduct and withhold tax under this Act on or after January 1, 2008 shall make those payments and returns as provided in this Section.

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(b) Returns. Every employer shall, in the form and manner required by the Department, make returns with respect to taxes withheld or required to be withheld under this Article 7 for each quarter beginning on or after January 1, 2008, on or before the last day of the first month following the close of that quarter.

(c) Payments. With respect to amounts withheld or required to be withheld on or after January 1, 2008:

(1) Semi-weekly payments. For each calendar year, each employer who withheld or was required to withhold more than \$12,000 during the one-year period ending on June 30 of the immediately preceding calendar year, payment must be made:

(A) on or before each Friday of the calendar year, for taxes withheld or required to be withheld on the immediately preceding Saturday, Sunday, Monday, or Tuesday;

(B) on or before each Wednesday of the calendar year, for taxes withheld or required to be withheld on the immediately preceding Wednesday, Thursday, or Friday.

(2) Semi-weekly payments. Any employer who withholds or is required to withhold more than \$12,000 in any quarter of a calendar year is required to make payments on the dates set forth under item (1) of this subsection (c) for each remaining quarter of that calendar year and for the subsequent calendar year.

(3) Monthly payments. Each employer, other than an employer described in items (1) or (2) of this subsection, shall pay to the Department, on or before the 15th day of each month the taxes withheld or required to be withheld during the immediately preceding month.

(4) Payments with returns. Each employer shall pay to the Department, on or before the due date for each return required to be filed under this Section, any tax withheld or required to be withheld during the period for which the return is due and not previously paid to the Department.

(d) Regulatory authority. The Department may, by rule:

(1) If the aggregate amounts required to be withheld under this Article 7 do not exceed \$1,000 for the calendar year, permit employers, in lieu of the requirements of subsections (b) and (c), to file annual returns due on or before January 31 of the following year for taxes withheld or required to be withheld during that calendar year and to pay the taxes required to be shown on each such return no later than the due date for such return.

(2) Provide that any payment required to be made under subsection (c)(1) or (c)(2) is deemed to be timely to the extent paid by electronic funds transfer on or before the due date for deposit of federal income taxes withheld from, or federal employment taxes due with respect to, the wages from which the Illinois taxes were withheld.

(3) Designate one or more depositories to which payment of taxes required to be withheld under this Article 7 must be paid by some or all employers.

(4) Increase the threshold dollar amounts at which employers are required to make semi-weekly payments under subsection (c)(1) or (c)(2).

(e) Annual return and payment. Every employer who deducts and withholds or is required to deduct and withhold tax from a person engaged in domestic service employment, as that term is defined in Section 3510 of the Internal Revenue Code, may comply with the requirements of this Section with respect to such employees by filing an annual return and paying the taxes required to be deducted and withheld on or before the 15th day of the fourth month following the close of the employer's taxable year. The Department may allow the employer's return to be submitted with the employer's individual income tax return or to be submitted with a return due from the employer under Section 1400.2 of the Unemployment Insurance Act.

(f) Magnetic media and electronic filing. Any W-2 Form that, under the Internal Revenue Code and regulations promulgated thereunder, is required to be submitted to the Internal Revenue Service on magnetic media or electronically must also be submitted to the Department on magnetic media or electronically for Illinois purposes, if required by the Department.

(g) For amounts deducted or withheld after December 31, 2009, a taxpayer who makes an election under Section 5-15(f) of the Economic Development for a Growing Economy Act for a taxable year shall be allowed a credit against payments due under this Section for amounts withheld during the first calendar year beginning after the end of that taxable year equal to the amount of the credit awarded to the taxpayer by the Department of Commerce and Economic Opportunity under the Economic Development for a Growing Economy Act for the taxable year. The credit may not reduce the taxpayer's obligation for any payment due under this Section to less than zero. If the amount of the credit exceeds the total payments due under this Section with respect to amounts withheld during the calendar year, the excess may be carried forward and applied against the taxpayer's liability under this Section in the 5 succeeding calendar years. The credit shall be applied to the earliest year for which there is a tax

liability. If there are credits from more than one taxable year that are available to offset a liability, the earlier credit shall be applied first. This Section is exempt from the provisions of Section 250 of this Act.

(h) An employer may claim a credit against payments due under this Section for amounts withheld during the first calendar year ending after date on which a tax credit certificate was issued under Section 35 of the Small Business Job Creation Tax Credit Act. The credit shall be equal to the amount shown on the certificate, but may not reduce the taxpayer's obligation for any payment due under this Section to less than zero. If the amount of the credit exceeds the total payments due under this Section with respect to amounts withheld during the calendar year, the excess may be carried forward and applied against the taxpayer's liability under this Section in the 5 succeeding calendar years. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one calendar year that are available to offset a liability, the earlier credit shall be applied first. This Section is exempt from the provisions of Section 250 of this Act.

(Source: P.A. 95-8, eff. 6-29-07; 95-707, eff. 1-11-08; 96-834, eff. 12-14-09.)".

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

Under the rules, the foregoing **Senate Bill No. 1578**, 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 passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 354

A bill for AN ACT concerning revenue.

HOUSE BILL NO. 5026

A bill for AN ACT concerning insurance.

HOUSE BILL NO. 5329

A bill for AN ACT concerning government.

HOUSE BILL NO. 5448

A bill for AN ACT concerning child support.

HOUSE BILL NO. 5527

A bill for AN ACT concerning insurance.

HOUSE BILL NO. 5923

A bill for AN ACT concerning local government.

Passed the House, March 24, 2010.

MARK MAHONEY, Clerk of the House

The foregoing **House Bills Numbered 354, 5026, 5329, 5448, 5527 and 5923** 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 bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 5513

A bill for AN ACT concerning professional regulation.

HOUSE BILL NO. 5525

A bill for AN ACT concerning criminal law.

HOUSE BILL NO. 5791

A bill for AN ACT concerning criminal law.

Passed the House, March 24, 2010.

MARK MAHONEY, Clerk of the House

[March 24, 2010]

The foregoing **House Bills Numbered 5513, 5525 and 5791** 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 bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 5183

A bill for AN ACT concerning regulation.

HOUSE BILL NO. 5304

A bill for AN ACT concerning State government.

HOUSE BILL NO. 5555

A bill for AN ACT concerning local government.

HOUSE BILL NO. 5571

A bill for AN ACT concerning finance.

HOUSE BILL NO. 5671

A bill for AN ACT concerning local government.

HOUSE BILL NO. 5972

A bill for AN ACT concerning local government.

HOUSE BILL NO. 6464

A bill for AN ACT concerning criminal law.

Passed the House, March 24, 2010.

MARK MAHONEY, Clerk of the House

The foregoing **House Bills Numbered 5183, 5304, 5555, 5571, 5671, 5972 and 6464** were taken up, ordered printed and placed on first reading.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendment 1 to Senate Bill 1578

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 354, sponsored by Senators Jones, E. III, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 3869, sponsored by Senator Haine, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 4927, sponsored by Senator Trotter, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5183, sponsored by Senator Koehler, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5281, sponsored by Senator Wilhelmi, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5304, sponsored by Senator Righter, was taken up, read by title a first time and referred to the Committee on Assignments.

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House Bill No. 5329, sponsored by Senator Forby, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5448, sponsored by Senator Crotty, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5525, sponsored by Senator Clayborne, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5671, sponsored by Senator Dahl, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5791, sponsored by Senator Holmes, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5972, sponsored by Senator Koehler, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6003, sponsored by Senator Holmes, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6014, sponsored by Senator Hutchinson, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6047, sponsored by Senator Noland, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6151, sponsored by Senator Lightford, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6231, sponsored by Senator Dillard, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 6272, sponsored by Senator Dillard, was taken up, read by title a first time and referred to the Committee on Assignments.

CONSIDERATION OF RESOLUTIONS ON SECRETARY'S DESK

Senator Koehler moved that **Senate Resolution No. 576**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Koehler moved that Senate Resolution No. 576 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Koehler moved that **Senate Resolution No. 577**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Koehler moved that Senate Resolution No. 577 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Link moved that **Senate Resolution No. 635**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Link moved that Senate Resolution No. 635 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Collins moved that **Senate Resolution No. 652**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Collins moved that Senate Resolution No. 652 be adopted.

The motion prevailed.

And the resolution was adopted.

MESSAGE 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. 1946

A bill for AN ACT concerning public employee benefits.

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. 1946

House Amendment No. 4 to SENATE BILL NO. 1946

Passed the House, as amended, March 24, 2010.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1946

AMENDMENT NO. 1. Amend Senate Bill 1946 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Section 14-103.12 as follows:

(40 ILCS 5/14-103.12) (from Ch. 108 1/2, par. 14-103.12)

Sec. 14-103.12. Final average compensation.

(a) For retirement and survivor annuities, "final average compensation" means ~~the~~ the monthly compensation obtained by dividing the total compensation of an employee during the period of: (1) the 48 consecutive months of service within the last 120 months of service in which the total compensation was the highest, or (2) the total period of service, if less than 48 months, by the number of months of service in such period; provided that for purposes of a retirement annuity the average compensation for the last 12 months of the 48-month period shall not exceed the final average compensation by more than 25%.

(b) For death and disability benefits, in the case of a full-time employee, "final average compensation" means the greater of (1) the rate of compensation of the employee at the date of death or disability multiplied by 1 in the case of a salaried employee, by 174 in the case of an hourly employee, and by 22 in the case of a per diem employee, or (2) for benefits commencing on or after January 1, 1991, final average compensation as determined under subsection (a).

For purposes of this paragraph, full or part-time status shall be certified by the employing agency. Final rate of compensation for a part-time employee shall be the total compensation earned during the last full calendar month prior to the date of death or disability.

(c) Notwithstanding the provisions of subsection (a), for the purpose of calculating retirement and survivor annuities of persons with at least 20 years of eligible creditable service as defined in Section 14-110, "final average compensation" means the monthly rate of compensation received by the person on the last day of eligible creditable service (but not to exceed 115% of the average monthly compensation received by the person for the last 24 months of service, unless the person was in service as a State policeman before the effective date of this amendatory Act of 1997), or the average monthly compensation received by the person for the last 48 months of service prior to retirement, whichever is greater.

(d) Notwithstanding the provisions of subsection (a), for a person who was receiving, on the date of retirement or death, a disability benefit calculated under subdivision (b)(2) of this Section, the final average compensation used to calculate the disability benefit may be used for purposes of calculating the

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retirement and survivor annuities.

(e) In computing the final average compensation, periods of military leave shall not be considered.

(f) The changes to this Section made by this amendatory Act of 1997 (redefining final average compensation for members under the alternative formula) apply to members who retire on or after January 1, 1998, without regard to whether employment terminated before the effective date of this amendatory Act of 1997.

(g) For a member on leave of absence without pay who purchases service credit for such period of leave pursuant to subsection (l) of Section 14-104, earnings are assumed to be equal to the rate of compensation in effect immediately prior to the leave. If no contributions are required to establish service credit for the period of leave, the member may elect to establish earnings credit for the leave period within 48 months after returning to work by making the employee and employer contributions required by subsection (l) of Section 14-104, based on the rate of compensation in effect immediately prior to the leave, plus interest at the actuarially assumed rate. In determining the contributions required for establishing service credit under this subsection (g), the interest shall be calculated from the beginning of the leave of absence to the date of payment.

(Source: P.A. 96-525, eff. 8-14-09)."

AMENDMENT NO. 4 TO SENATE BILL 1946

AMENDMENT NO. 4. Amend Senate Bill 1946, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Section 15 as follows:

(5 ILCS 315/15) (from Ch. 48, par. 1615)

Sec. 15. Act Takes Precedence.

(a) In case of any conflict between the provisions of this Act and any other law (other than Section 5 of the State Employees Group Insurance Act of 1971 and other than the changes made to the Illinois Pension Code by this amendatory Act of the 96th General Assembly), executive order or administrative regulation relating to wages, hours and conditions of employment and employment relations, the provisions of this Act or any collective bargaining agreement negotiated thereunder shall prevail and control. Nothing in this Act shall be construed to replace or diminish the rights of employees established by Sections 28 and 28a of the Metropolitan Transit Authority Act, Sections 2.15 through 2.19 of the Regional Transportation Authority Act. The provisions of this Act are subject to Section 5 of the State Employees Group Insurance Act of 1971. Nothing in this Act shall be construed to replace the necessity of complaints against a sworn peace officer, as defined in Section 2(a) of the Uniform Peace Officer Disciplinary Act, from having a complaint supported by a sworn affidavit.

(b) Except as provided in subsection (a) above, any collective bargaining contract between a public employer and a labor organization executed pursuant to this Act shall supersede any contrary statutes, charters, ordinances, rules or regulations relating to wages, hours and conditions of employment and employment relations adopted by the public employer or its agents. Any collective bargaining agreement entered into prior to the effective date of this Act shall remain in full force during its duration.

(c) It is the public policy of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Illinois Constitution, that the provisions of this Act are the exclusive exercise by the State of powers and functions which might otherwise be exercised by home rule units. Such powers and functions may not be exercised concurrently, either directly or indirectly, by any unit of local government, including any home rule unit, except as otherwise authorized by this Act.

(Source: P.A. 95-331, eff. 8-21-07.)

Section 10. The Illinois Pension Code is amended by adding Section 1-160 and by amending Sections 2-108.1, 2-119, 2-119.01, 2-119.1, 2-121.1, 2-122, 17-129, 18-124, 18-125, 18-125.1, 18-127, and 18-128.01 as follows:

(40 ILCS 5/1-160 new)

Sec. 1-160. Provisions applicable to new hires.

(a) The provisions of this Section apply to a person who first becomes an employee and a participant under any retirement system or pension fund under this Code, other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of this Code, on or after the effective date of this amendatory Act of the 96th General Assembly notwithstanding any other provision of this Code to the contrary, but do not apply to any self-managed plan established under this Code, to any person with respect to service as a sheriff's law enforcement employee under Article 7, or to any participant of the retirement plan established under Section 22-101.

(b) "Final average salary" means the average monthly salary obtained by dividing the total salary of the participant during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period; however, the annual final average salary may not exceed \$106,800, as automatically increased by the lesser of 3% or one-half of the annual increase in the consumer price index-u during the preceding 12-month calendar year. For the purposes of a person who first becomes an employee of any retirement system or pension fund to which this Section applies on or after the effective date of this amendatory Act of the 96th General Assembly, in this Code, "final average salary" shall be substituted for the following:

(1) In Articles 7 (except for service as sheriff's law enforcement employees) and 15, "final rate of earnings".

(2) In Articles 8, 9, 10, 11, and 12, "highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal".

(3) In Article 13, "average final salary".

(4) In Article 14, "final average compensation".

(5) In Article 17, "average salary".

(6) In Section 22-207, "wages or salary received by him at the date of retirement or discharge".

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds.

(c) A participant is entitled to a retirement annuity beginning on the date specified by the participant in a written application only if, on that specified date, he or she has attained age 67 and has at least 10 years of service credit.

A participant who has attained age 62 and has at least 10 years of service credit may elect to receive the lower retirement annuity provided in subsection (d) of this Section.

(d) The retirement annuity of a participant who is retiring after attaining age 62 with at least 10 years of service credit shall be reduced by one-half of 1% for each month that the member's age is under age 67.

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases upon (1) attainment of age 67 or (2) the first anniversary of the commencement of the annuity, whichever occurs later. Each annual increase shall be calculated at 3% or one-half the annual increase in the consumer price index-u for the preceding calendar year, whichever is less, of the originally granted retirement annuity. If the increase in the consumer price index-u for the preceding calendar year is zero or there is a decrease, then the annuity shall not be increased.

(f) The initial survivor's annuity of an otherwise eligible survivor of a participant who first becomes a participant on or after the effective date of this amendatory Act of the 96th General Assembly shall be in the amount of 66 2/3% of the participant's earned retirement annuity at the date of death and shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1 occurring after the first anniversary of the commencement of the annuity. Each annual increase shall be calculated at 3% or one-half the annual increase in the consumer price index-u for the preceding calendar year, whichever is less, of the originally granted survivor's annuity. If the increase in the consumer price index-u for the preceding calendar year is zero or there is a decrease, then the annuity shall not be increased.

(g) The benefits in Section 14-110 apply only if the person is a State policeman, a fire fighter in the fire protection service of a department, or a security employee of the Department of Corrections or the Department of Juvenile Justice, as those terms are defined in subsection (b) of Section 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 60, regardless of whether the attainment of age 60 occurs while the person is still in service.

(h) If a person who first becomes a member of a retirement system or pension fund subject to this Section on or after the effective date of this amendatory Act of the 96th General Assembly is receiving a retirement annuity or retirement pension under that system or fund and accepts employment in a position covered under the same Article or any other Article of this Code on a full-time basis, then the person's retirement annuity or retirement pension under that system or fund shall be suspended during that employment. Upon termination of that employment, the person's retirement annuity or retirement pension payments shall resume and, if appropriate, be recalculated under the applicable provisions of

this Code.

(i) Notwithstanding any other provision of this Section, a person who first becomes a participant of the retirement system established under Article 15 on or after the effective date of this amendatory Act of the 96th General Assembly shall have the option to enroll in the self-managed plan created under Section 15-158.2 of this Code.

(j) In the case of a conflict between the provisions of this Section and any other provision of this Code, the provisions of this Section shall control.

(40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)

Sec. 2-108.1. Highest salary for annuity purposes.

(a) "Highest salary for annuity purposes" means whichever of the following is applicable to the participant:

For a participant who first becomes a participant of this System before August 10, 2009 (the effective date

of Public Act 96-207) ~~this amendatory Act of the 96th General Assembly:~~

(1) For a participant who is a member of the General Assembly on his or her last day of service: the highest salary that is prescribed by law, on the participant's last day of service, for a member of the General Assembly who is not an officer; plus, if the participant was elected or appointed to serve as an officer of the General Assembly for 2 or more years and has made contributions as required under subsection (d) of Section 2-126, the highest additional amount of compensation prescribed by law, at the time of the participant's service as an officer, for members of the General Assembly who serve in that office.

(2) For a participant who holds one of the State executive offices specified in Section 2-105 on his or her last day of service: the highest salary prescribed by law for service in that office on the participant's last day of service.

(3) For a participant who is Clerk or Assistant Clerk of the House of Representatives or Secretary or Assistant Secretary of the Senate on his or her last day of service: the salary received for service in that capacity on the last day of service, but not to exceed the highest salary (including additional compensation for service as an officer) that is prescribed by law on the participant's last day of service for the highest paid officer of the General Assembly.

(4) For a participant who is a continuing participant under Section 2-117.1 on his or her last day of service: the salary received for service in that capacity on the last day of service, but not to exceed the highest salary (including additional compensation for service as an officer) that is prescribed by law on the participant's last day of service for the highest paid officer of the General Assembly.

For a participant who first becomes a participant of this System on or after August 10, 2009 (the effective

date of Public Act 96-207) and before the effective date of this amendatory Act of the 96th General Assembly ~~this amendatory Act of the 96th General Assembly~~, the average monthly salary obtained by dividing the total salary of the participant during the period of: (1) the 48 consecutive months of service within the last 120 months of service in which the total compensation was the highest, or (2) the total period of service, if less than 48 months, by the number of months of service in that period.

For a participant who first becomes a participant of this System on or after the effective date of this amendatory Act of the 96th General Assembly, the average monthly salary obtained by dividing the total salary of the participant during the 96 consecutive months of service within the last 120 months of service in which the total compensation was the highest by the number of months of service in that period; however, the highest salary for annuity purposes may not exceed the Social Security Covered Wage Base for 2010, and shall automatically be increased or decreased, as applicable, by a percentage equal to the percentage change in the consumer price index-u during the preceding 12-month calendar year. "Consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the Board.

(b) The earnings limitations of subsection (a) apply to earnings under any other participating system under the Retirement Systems Reciprocal Act that are considered in calculating a proportional annuity under this Article, except in the case of a person who first became a member of this System before August 22, 1994.

(c) In calculating the subsection (a) earnings limitation to be applied to earnings under any other participating system under the Retirement Systems Reciprocal Act for the purpose of calculating a

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proportional annuity under this Article, the participant's last day of service shall be deemed to mean the last day of service in any participating system from which the person has applied for a proportional annuity under the Retirement Systems Reciprocal Act.

(Source: P.A. 96-207, eff. 8-10-09.)

(40 ILCS 5/2-119) (from Ch. 108 1/2, par. 2-119)

Sec. 2-119. Retirement annuity - conditions for eligibility.

(a) A participant whose service as a member is terminated, regardless of age or cause, is entitled to a retirement annuity beginning on the date specified by the participant in a written application subject to the following conditions:

1. The date the annuity begins does not precede the date of final termination of service, or is not more than 30 days before the receipt of the application by the board in the case of annuities based on disability or one year before the receipt of the application in the case of annuities based on attained age;

2. The participant meets one of the following eligibility requirements:

For a participant who first becomes a participant of this System before the effective date of this amendatory Act of the 96th General Assembly:

(A) He or she has attained age 55 and has at least 8 years of service credit;

(B) He or she has attained age 62 and terminated service after July 1, 1971 with at least 4 years of service credit; or

(C) He or she has completed 8 years of service and has become permanently disabled and as a consequence, is unable to perform the duties of his or her office.

For a participant who first becomes a participant of this System on or after the effective date of this amendatory Act of the 96th General Assembly, he or she has attained age 67 and has at least 8 years of service credit.

(a-5) A participant who first becomes a participant of this System on or after the effective date of this amendatory Act of the 96th General Assembly who has attained age 62 and has at least 8 years of service credit may elect to receive the lower retirement annuity provided in paragraph (c) of Section 2-119.01 of this Code.

(b) A participant shall be considered permanently disabled only if: (1) disability occurs while in service and is of such a nature as to prevent him or her from reasonably performing the duties of his or her office at the time; and (2) the board has received a written certificate by at least 2 licensed physicians appointed by the board stating that the member is disabled and that the disability is likely to be permanent.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-119.01) (from Ch. 108 1/2, par. 2-119.01)

Sec. 2-119.01. Retirement annuities - Amount.

(a) For a participant in service after June 30, 1977 who has not made contributions to this System after January 1, 1982, the annual retirement annuity is 3% for each of the first 8 years of service, plus 4% for each of the next 4 years of service, plus 5% for each year of service in excess of 12 years, based on the participant's highest salary for annuity purposes. The maximum retirement annuity payable shall be 80% of the participant's highest salary for annuity purposes.

(b) For a participant in service after June 30, 1977 who has made contributions to this System on or after January 1, 1982, the annual retirement annuity is 3% for each of the first 4 years of service, plus 3 1/2% for each of the next 2 years of service, plus 4% for each of the next 2 years of service, plus 4 1/2% for each of the next 4 years of service, plus 5% for each year of service in excess of 12 years, of the participant's highest salary for annuity purposes. The maximum retirement annuity payable shall be 85% of the participant's highest salary for annuity purposes.

(c) Notwithstanding any other provision of this Article, for a participant who first becomes a participant on or after the effective date of this amendatory Act of the 96th General Assembly, the annual retirement annuity is 3% of the participant's highest salary for annuity purposes for each year of service. The maximum retirement annuity payable shall be 60% of the participant's highest salary for annuity purposes.

(d) Notwithstanding any other provision of this Article, for a participant who first becomes a participant on or after the effective date of this amendatory Act of the 96th General Assembly and who is retiring after attaining age 62 with at least 8 years of service credit, the retirement annuity shall be reduced by one-half of 1% for each month that the member's age is under age 67.

(Source: P.A. 86-1488.)

(40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

Sec. 2-119.1. Automatic increase in retirement annuity.

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(a) A participant who retires after June 30, 1967, and who has not received an initial increase under this Section before the effective date of this amendatory Act of 1991, shall, in January or July next following the first anniversary of retirement, whichever occurs first, and in the same month of each year thereafter, but in no event prior to age 60, have the amount of the originally granted retirement annuity increased as follows: for each year through 1971, 1 1/2%; for each year from 1972 through 1979, 2%; and for 1980 and each year thereafter, 3%. Annuitants who have received an initial increase under this subsection prior to the effective date of this amendatory Act of 1991 shall continue to receive their annual increases in the same month as the initial increase.

(b) Beginning January 1, 1990, for eligible participants who remain in service after attaining 20 years of creditable service, the 3% increases provided under subsection (a) shall begin to accrue on the January 1 next following the date upon which the participant (1) attains age 55, or (2) attains 20 years of creditable service, whichever occurs later, and shall continue to accrue while the participant remains in service; such increases shall become payable on January 1 or July 1, whichever occurs first, next following the first anniversary of retirement. For any person who has service credit in the System for the entire period from January 15, 1969 through December 31, 1992, regardless of the date of termination of service, the reference to age 55 in clause (1) of this subsection (b) shall be deemed to mean age 50.

This subsection (b) does not apply to any person who first becomes a member of the System after the effective date of this amendatory Act of the 93rd General Assembly.

(b-5) Notwithstanding any other provision of this Article, a participant who first becomes a participant on or after the effective date of this amendatory Act of the 96th General Assembly shall, in January or July next following the first anniversary of retirement, whichever occurs first, and in the same month of each year thereafter, but in no event prior to age 67, have the amount of the retirement annuity then being paid increased by 3% or the annual change in the Consumer Price Index for All Urban Consumers, whichever is less.

(c) The foregoing provisions relating to automatic increases are not applicable to a participant who retires before having made contributions (at the rate prescribed in Section 2-126) for automatic increases for less than the equivalent of one full year. However, in order to be eligible for the automatic increases, such a participant may make arrangements to pay to the system the amount required to bring the total contributions for the automatic increase to the equivalent of one year's contributions based upon his or her last salary.

(d) A participant who terminated service prior to July 1, 1967, with at least 14 years of service is entitled to an increase in retirement annuity beginning January, 1976, and to additional increases in January of each year thereafter.

The initial increase shall be 1 1/2% of the originally granted retirement annuity multiplied by the number of full years that the annuitant was in receipt of such annuity prior to January 1, 1972, plus 2% of the originally granted retirement annuity for each year after that date. The subsequent annual increases shall be at the rate of 2% of the originally granted retirement annuity for each year through 1979 and at the rate of 3% for 1980 and thereafter.

(e) Beginning January 1, 1990, all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including previous increases granted under this Article.

(Source: P.A. 93-494, eff. 8-8-03.)

(40 ILCS 5/2-121.1) (from Ch. 108 1/2, par. 2-121.1)

Sec. 2-121.1. Survivor's annuity - amount.

(a) A surviving spouse shall be entitled to 66 2/3% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, without regard to whether the participant had attained age 55 prior to his or her death, subject to a minimum payment of 10% of salary. If a surviving spouse, regardless of age, has in his or her care at the date of death any eligible child or children of the participant, the survivor's annuity shall be the greater of the following: (1) 66 2/3% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, or (2) 30% of the participant's salary increased by 10% of salary on account of each such child, subject to a total payment for the surviving spouse and children of 50% of salary. If eligible children survive but there is no surviving spouse, or if the surviving spouse dies or becomes disqualified by remarriage while eligible children survive, each eligible child shall be entitled to an annuity of 20% of salary, subject to a maximum total payment for all such children of 50% of salary.

However, the survivor's annuity payable under this Section shall not be less than 100% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, if he or she is survived by a dependent disabled child.

The salary to be used for determining these benefits shall be the salary used for determining the

amount of retirement annuity as provided in Section 2-119.01.

(b) Upon the death of a participant after the termination of service or upon death of an annuitant, the maximum total payment to a surviving spouse and eligible children, or to eligible children alone if there is no surviving spouse, shall be 75% of the retirement annuity to which the participant or annuitant was entitled, unless there is a dependent disabled child among the survivors.

(c) When a child ceases to be an eligible child, the annuity to that child, or to the surviving spouse on account of that child, shall thereupon cease, and the annuity payable to the surviving spouse or other eligible children shall be recalculated if necessary.

Upon the ineligibility of the last eligible child, the annuity shall immediately revert to the amount payable upon death of a participant or annuitant who leaves no eligible children. If the surviving spouse is then under age 50, the annuity as revised shall be deferred until the attainment of age 50.

(d) Beginning January 1, 1990, every survivor's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity, or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% of the current amount of the annuity, including any previous increases under this Article. Such increases shall apply without regard to whether the deceased member was in service on or after the effective date of this amendatory Act of 1991, but shall not accrue for any period prior to January 1, 1990.

(d-5) Notwithstanding any other provision of this Article, the initial survivor's annuity of a survivor of a participant who first becomes a participant on or after the effective date of this amendatory Act of the 96th General Assembly shall be in the amount of 66 2/3% of the amount of the retirement annuity to which the participant or annuitant was entitled on the date of death and shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% or the annual change in the Consumer Price Index for All Urban Consumers, whichever is less, of the survivor's annuity then being paid.

(e) Notwithstanding any other provision of this Article, beginning January 1, 1990, the minimum survivor's annuity payable to any person who is entitled to receive a survivor's annuity under this Article shall be \$300 per month, without regard to whether or not the deceased participant was in service on the effective date of this amendatory Act of 1989.

(f) In the case of a proportional survivor's annuity arising under the Retirement Systems Reciprocal Act where the amount payable by the System on January 1, 1993 is less than \$300 per month, the amount payable by the System shall be increased beginning on that date by a monthly amount equal to \$2 for each full year that has expired since the annuity began.

(Source: P.A. 91-887, eff. 7-6-00.)

(40 ILCS 5/2-122) (from Ch. 108 1/2, par. 2-122)

Sec. 2-122. Re-entry after retirement. An annuitant who re-enters service as a member shall become a participant on the date of re-entry and retirement annuity payments shall cease at that time. The participant shall resume contributions to the system on the date of re-entry at the rates then in effect and shall begin to accrue additional service credit. He or she shall be entitled to all rights and privileges in the system, including death and disability benefits, subject to the limitations herein provided, except refund of retirement annuity contributions.

Upon subsequent retirement, the participant shall be entitled to a retirement annuity consisting of: (1) the amount of retirement annuity previously granted and terminated by re-entry into service; and (2) the amount of additional retirement annuity earned during the additional service based on the provisions in effect at the date of such subsequent retirement. However, the total retirement annuity shall not exceed the maximum retirement annuity applicable at the date of the participant's last retirement. If the salary of the participant following the latest re-entry into service is higher than that in effect at the date of the previous retirement and the participant restores to the system all amounts previously received as retirement annuity payments, upon subsequent retirement, the retirement annuity shall be recalculated for all service credited under the system as though the participant had not previously retired.

The repayment of retirement annuity payments must be made by the participant in a single sum or by a withholding from salary within a period of 6 years from date of re-entry and in any event before subsequent retirement. If previous annuity payments have not been repaid to the system at the date of death of the participant, any remaining balance must be fully repaid to the system before any further annuity shall be payable.

Such member, if unmarried at date of his last retirement, shall also be entitled to a refund of widow's and widower's annuity contributions, without interest, covering the period from the date of re-entry into

service to the date of last retirement.

Notwithstanding any other provision of this Article, if a person who first becomes a participant under this System on or after the effective date of this amendatory Act of the 96th General Assembly is receiving a retirement annuity under this Article and accepts employment in a position covered under this Article or any other Article of this Code on a full-time basis, then the person's retirement annuity under this System shall be suspended during that employment. Upon termination of that employment, the person's retirement annuity shall resume and, if appropriate, be recalculated under the applicable provisions of this Article.

(Source: P.A. 83-1440.)

(40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

Sec. 17-129. Employer contributions; deficiency in Fund.

(a) If in any fiscal year of the Board of Education ending prior to 1997 the total amounts paid to the Fund from the Board of Education (other than under this subsection, and other than amounts used for making or "picking up" contributions on behalf of teachers) and from the State do not equal the total contributions made by or on behalf of the teachers for such year, or if the total income of the Fund in any such fiscal year of the Board of Education from all sources is less than the total such expenditures by the Fund for such year, the Board of Education shall, in the next succeeding year, in addition to any other payment to the Fund set apart and appropriate from moneys from its tax levy for educational purposes, a sum sufficient to remove such deficiency or deficiencies, and promptly pay such sum into the Fund in order to restore any of the reserves of the Fund that may have been so temporarily applied. Any amounts received by the Fund after December 4, 1997 from State appropriations, including under Section 17-127, shall be a credit against and shall fully satisfy any obligation that may have arisen, or be claimed to have arisen, under this subsection (a) as a result of any deficiency or deficiencies in the fiscal year of the Board of Education ending in calendar year 1997.

(b) (i) Notwithstanding any other provision of this Section, and notwithstanding any prior certification by the Board under subsection (c) for fiscal year 2011, the Board of Education's total required contribution to the Fund for fiscal year 2011 under this Section is \$187,000,000.

(ii) Notwithstanding any other provision of this Section, the Board of Education's total required contribution to the Fund for fiscal year 2012 under this Section is \$192,000,000.

(iii) Notwithstanding any other provision of this Section, the Board of Education's total required contribution to the Fund for fiscal year 2013 under this Section is \$196,000,000.

(iv) For fiscal years 2014 through 2059, the minimum contribution to the Fund to be made by the Board of Education in each fiscal year shall be an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2059. In making these determinations, the required Board of Education contribution shall be calculated each year as a level percentage of the applicable employee payrolls over the years remaining to and including fiscal year 2059 and shall be determined under the projected unit credit actuarial cost method.

(v) Beginning in fiscal year 2060, the minimum Board of Education contribution for each fiscal year shall be the amount needed to maintain the total assets of the Fund at 90% of the total actuarial liabilities of the Fund.

(vi) Notwithstanding any other provision of this subsection (b), for any fiscal year, the contribution to the Fund from the Board of Education shall not be required to be in excess of the amount calculated as needed to maintain the assets (or cause the assets to be) at the 90% level by the end of the fiscal year.

(vii) Any contribution by the State to or for the benefit of the Fund, including, without limitation, as referred to under Section 17-127, shall be a credit against any contribution required to be made by the Board of Education under this subsection (b).

~~(b) (i) For fiscal years 2011 through 2045, the minimum contribution to the Fund to be made by the Board of Education in each fiscal year shall be an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2045. In making these determinations, the required Board of Education contribution shall be calculated each year as a level percentage of the applicable employee payrolls over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.~~

~~(ii) For fiscal years 1999 through 2010, the Board of Education's contribution to the Fund, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by fiscal year 2011, the Board of Education is contributing at the rate required under this subsection.~~

~~(iii) Beginning in fiscal year 2046, the minimum Board of Education contribution for each fiscal year shall be the amount needed to maintain the total assets of the Fund at 90% of the total actuarial liabilities~~

of the Fund.

(iv) Notwithstanding the provisions of paragraphs (i), (ii), and (iii) of this subsection (b), for any fiscal year the contribution to the Fund from the Board of Education shall not be required to be in excess of the amount calculated as needed to maintain the assets (or cause the assets to be) at the 90% level by the end of the fiscal year.

(v) Any contribution by the State to or for the benefit of the Fund, including, without limitation, as referred to under Section 17-127, shall be a credit against any contribution required to be made by the Board of Education under this subsection (b).

(c) The Board shall determine the amount of Board of Education 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, in order to meet the minimum contribution requirements of subsections (a) and (b). Annually, on or before February 28, the Board shall certify to the Board of Education the amount of the required Board of Education contribution for the coming fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

(Source: P.A. 89-15, eff. 5-30-95; 90-548, eff. 12-4-97; 90-566, eff. 1-2-98; 90-655, eff. 7-30-98.)

(40 ILCS 5/18-124) (from Ch. 108 1/2, par. 18-124)

Sec. 18-124. Retirement annuities - conditions for eligibility.

(a) This subsection (a) applies to a participant who first serves as a judge before the effective date of this amendatory Act of the 96th General Assembly.

A participant whose employment as a judge is terminated, regardless of age or cause is entitled to a retirement annuity beginning on the date specified in a written application subject to the following:

(1) the date the annuity begins is subsequent to the date of final termination of employment, or the date 30 days prior to the receipt of the application by the board for annuities based on disability, or one year before the receipt of the application by the board for annuities based on attained age;

(2) the participant is at least age 55, or has become permanently disabled and as a consequence is unable to perform the duties of his or her office;

(3) the participant has at least 10 years of service credit except that a participant terminating service after June 30 1975, with at least 6 years of service credit, shall be entitled to a retirement annuity at age 62 or over;

(4) the participant is not receiving or entitled to receive, at the date of retirement, any salary from an employer for service currently performed.

(b) This subsection (b) applies to a participant who first serves as a judge on or after the effective date of this amendatory Act of the 96th General Assembly.

A participant who has at least 8 years of creditable service is entitled to a retirement annuity when he or she has attained age 67.

A member who has attained age 62 and has at least 8 years of service credit may elect to receive the lower retirement annuity provided in subsection (d) of Section 18-125 of this Code.

(Source: P.A. 83-1440.)

(40 ILCS 5/18-125) (from Ch. 108 1/2, par. 18-125)

Sec. 18-125. Retirement annuity amount.

(a) The annual retirement annuity for a participant who terminated service as a judge prior to July 1, 1971 shall be based on the law in effect at the time of termination of service.

(b) ~~Except as provided in subsection (b-5), effective~~ ~~Effective~~ July 1, 1971, the retirement annuity for any participant in service on or after such date shall be 3 1/2% of final average salary, as defined in this Section, for each of the first 10 years of service, and 5% of such final average salary for each year of service on excess of 10.

For purposes of this Section, final average salary for a participant who first serves as a judge before August 10, 2009 (the effective date of Public Act 96-207) ~~this amendatory Act of the 96th General Assembly~~ shall be:

(1) the average salary for the last 4 years of credited service as a judge for a participant who terminates service before July 1, 1975.

(2) for a participant who terminates service after June 30, 1975 and before July 1, 1982, the salary on the last day of employment as a judge.

(3) for any participant who terminates service after June 30, 1982 and before January 1, 1990, the average salary for the final year of service as a judge.

(4) for a participant who terminates service on or after January 1, 1990 but before the effective date of this amendatory Act of 1995, the salary on the last day of employment as a judge.

(5) for a participant who terminates service on or after the effective date of this

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amendatory Act of 1995, the salary on the last day of employment as a judge, or the highest salary received by the participant for employment as a judge in a position held by the participant for at least 4 consecutive years, whichever is greater.

However, in the case of a participant who elects to discontinue contributions as provided in subdivision (a)(2) of Section 18-133, the time of such election shall be considered the last day of employment in the determination of final average salary under this subsection.

For a participant who first serves as a judge on or after August 10, 2009 (the effective date of Public Act 96-207) and before the effective date of this amendatory Act of the 96th General Assembly ~~this amendatory Act of the 96th General Assembly~~, final average salary shall be the average monthly salary obtained by dividing the total salary of the participant during the period of: (1) the 48 consecutive months of service within the last 120 months of service in which the total compensation was the highest, or (2) the total period of service, if less than 48 months, by the number of months of service in that period.

The maximum retirement annuity for any participant shall be 85% of final average salary.

(b-5) Notwithstanding any other provision of this Article, for a participant who first serves as a judge on or after the effective date of this amendatory Act of the 96th General Assembly, the annual retirement annuity is 3% of the participant's final average salary for each year of service. The maximum retirement annuity payable shall be 60% of the participant's final average salary.

For a participant who first serves as a judge on or after the effective date of this amendatory Act of the 96th General Assembly, final average salary shall be the average monthly salary obtained by dividing the total salary of the judge during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period; however, the final average salary may not exceed the Social Security Covered Wage Base for 2010, and shall automatically be increased or decreased, as applicable, by a percentage equal to the percentage change in the consumer price index-u during the preceding 12-month calendar year. "Consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the Board.

(c) The retirement annuity for a participant who retires prior to age 60 with less than 28 years of service in the System shall be reduced 1/2 of 1% for each month that the participant's age is under 60 years at the time the annuity commences. However, for a participant who retires on or after the effective date of this amendatory Act of the 91st General Assembly, the percentage reduction in retirement annuity imposed under this subsection shall be reduced by 5/12 of 1% for every month of service in this System in excess of 20 years, and therefore a participant with at least 26 years of service in this System may retire at age 55 without any reduction in annuity.

The reduction in retirement annuity imposed by this subsection shall not apply in the case of retirement on account of disability.

(d) Notwithstanding any other provision of this Article, for a participant who first serves as a judge on or after the effective date of this amendatory Act of the 96th General Assembly and who is retiring after attaining age 62, the retirement annuity shall be reduced by 1/2 of 1% for each month that the participant's age is under age 67 at the time of the annuity commences.

(Source: P.A. 96-207, eff. 8-10-09; revised 10-30-09.)

(40 ILCS 5/18-125.1) (from Ch. 108 1/2, par. 18-125.1)

Sec. 18-125.1. Automatic increase in retirement annuity. A participant who retires from service after June 30, 1969, shall, in January of the year next following the year in which the first anniversary of retirement occurs, and in January of each year thereafter, have the amount of his or her originally granted retirement annuity increased as follows: for each year up to and including 1971, 1 1/2%; for each year from 1972 through 1979 inclusive, 2%; and for 1980 and each year thereafter, 3%.

Notwithstanding any other provision of this Article, a retirement annuity for a participant who first serves as a judge on or after the effective date of this amendatory Act of the 96th General Assembly shall be increased in January of the year next following the year in which the first anniversary of retirement occurs, and in January of each year thereafter, by an amount equal to 3% or the annual change in the Consumer Price Index for All Urban Consumers, whichever is less, of the retirement annuity then being paid.

This Section is not applicable to a participant who retires before he or she has made contributions at the rate prescribed in Section 18-133 for automatic increases for not less than the equivalent of one full year, unless such a participant arranges to pay the system the amount required to bring the total

contributions for the automatic increase to the equivalent of one year's contribution based upon his or her last year's salary.

This Section is applicable to all participants in service after June 30, 1969 unless a participant has elected, prior to September 1, 1969, in a written direction filed with the board not to be subject to the provisions of this Section. Any participant in service on or after July 1, 1992 shall have the option of electing prior to April 1, 1993, in a written direction filed with the board, to be covered by the provisions of the 1969 amendatory Act. Such participant shall be required to make the aforesaid additional contributions with compound interest at 4% per annum.

Any participant who has become eligible to receive the maximum rate of annuity and who resumes service as a judge after receiving a retirement annuity under this Article shall have the amount of his or her retirement annuity increased by 3% of the originally granted annuity amount for each year of such resumed service, beginning in January of the year next following the date of such resumed service, upon subsequent termination of such resumed service.

Beginning January 1, 1990, all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including previous increases granted under this Article.

(Source: P.A. 86-273; 87-1265.)

(40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

Sec. 18-127. Retirement annuity - suspension on reemployment.

(a) A participant receiving a retirement annuity who is regularly employed for compensation by an employer other than a county, in any capacity, shall have his or her retirement annuity payments suspended during such employment. Upon termination of such employment, retirement annuity payments at the previous rate shall be resumed.

If such a participant resumes service as a judge, he or she shall receive credit for any additional service. Upon subsequent retirement, his or her retirement annuity shall be the amount previously granted, plus the amount earned by the additional judicial service under the provisions in effect during the period of such additional service. However, if the participant was receiving the maximum rate of annuity at the time of re-employment, he or she may elect, in a written direction filed with the board, not to receive any additional service credit during the period of re-employment. In such case, contributions shall not be required during the period of re-employment. Any such election shall be irrevocable.

(b) Beginning January 1, 1991, any participant receiving a retirement annuity who accepts temporary employment from an employer other than a county for a period not exceeding 75 working days in any calendar year shall not be deemed to be regularly employed for compensation or to have resumed service as a judge for the purposes of this Article. A day shall be considered a working day if the annuitant performs on it any of his duties under the temporary employment agreement.

(c) Except as provided in subsection (a), beginning January 1, 1993, retirement annuities shall not be subject to suspension upon resumption of employment for an employer, and any retirement annuity that is then so suspended shall be reinstated on that date.

(d) The changes made in this Section by this amendatory Act of 1993 shall apply to judges no longer in service on its effective date, as well as to judges serving on or after that date.

(e) A participant receiving a retirement annuity under this Article who serves as a part-time employee in any of the following positions: Legislative Inspector General, Special Legislative Inspector General, employee of the Office of the Legislative Inspector General, Executive Director of the Legislative Ethics Commission, or staff of the Legislative Ethics Commission, but has not elected to participate in the Article 14 System with respect to that service, shall not be deemed to be regularly employed for compensation by an employer other than a county, nor to have resumed service as a judge, on the basis of that service, and the retirement annuity payments and other benefits of that person under this Code shall not be suspended, diminished, or otherwise impaired solely as a consequence of that service. This subsection (e) applies without regard to whether the person is in service as a judge under this Article on or after the effective date of this amendatory Act of the 93rd General Assembly. In this subsection, a "part-time employee" is a person who is not required to work at least 35 hours per week.

(f) A participant receiving a retirement annuity under this Article who has made an election under Section 1-123 and who is serving either as legal counsel in the Office of the Governor or as Chief Deputy Attorney General shall not be deemed to be regularly employed for compensation by an employer other than a county, nor to have resumed service as a judge, on the basis of that service, and the retirement annuity payments and other benefits of that person under this Code shall not be suspended, diminished, or otherwise impaired solely as a consequence of that service. This subsection (f) applies without regard to whether the person is in service as a judge under this Article on or after the effective date of this amendatory Act of the 93rd General Assembly.

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(g) Notwithstanding any other provision of this Article, if a person who first becomes a participant under this System on or after the effective date of this amendatory Act of the 96th General Assembly is receiving a retirement annuity under this Article and accepts employment in a position covered under this Article or any other Article of this Code on a full-time basis, then the person's retirement annuity under this System shall be suspended during that employment. Upon termination of that employment, the person's retirement annuity shall resume and, if appropriate, be recalculated under the applicable provisions of this Article.

(Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)

(40 ILCS 5/18-128.01) (from Ch. 108 1/2, par. 18-128.01)

Sec. 18-128.01. Amount of survivor's annuity.

(a) Upon the death of an annuitant, his or her surviving spouse shall be entitled to a survivor's annuity of 66 2/3% of the annuity the annuitant was receiving immediately prior to his or her death, inclusive of annual increases in the retirement annuity to the date of death.

(b) Upon the death of an active participant, his or her surviving spouse shall receive a survivor's annuity of 66 2/3% of the annuity earned by the participant as of the date of his or her death, determined without regard to whether the participant had attained age 60 as of that time, or 7 1/2% of the last salary of the decedent, whichever is greater.

(c) Upon the death of a participant who had terminated service with at least 10 years of service, his or her surviving spouse shall be entitled to a survivor's annuity of 66 2/3% of the annuity earned by the deceased participant at the date of death.

(d) Upon the death of an annuitant, active participant, or participant who had terminated service with at least 10 years of service, each surviving child under the age of 18 or disabled as defined in Section 18-128 shall be entitled to a child's annuity in an amount equal to 5% of the decedent's final salary, not to exceed in total for all such children the greater of 20% of the decedent's last salary or 66 2/3% of the annuity received or earned by the decedent as provided under subsections (a) and (b) of this Section. This child's annuity shall be paid whether or not a survivor's annuity was elected under Section 18-123.

(e) The changes made in the survivor's annuity provisions by Public Act 82-306 shall apply to the survivors of a deceased participant or annuitant whose death occurs on or after August 21, 1981.

(f) Beginning January 1, 1990, every survivor's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity, or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% of the current amount of the annuity, including any previous increases under this Article. Such increases shall apply without regard to whether the deceased member was in service on or after the effective date of this amendatory Act of 1991, but shall not accrue for any period prior to January 1, 1990.

(g) Notwithstanding any other provision of this Article, the initial survivor's annuity for a survivor of a participant who first serves as a judge after the effective date of this amendatory Act of the 96th General Assembly shall be in the amount of 66 2/3% of the annuity received or earned by the decedent, and shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased participant died while receiving a retirement annuity, or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% or the annual change in the Consumer Price Index for All Urban Consumers, whichever is less, of the survivor's annuity then being paid.

(Source: P.A. 86-273; 86-1488.)

Section 90. The State Mandates Act is amended by adding Section 8.34 as follows:

(30 ILCS 805/8.34 new)

Sec. 8.34. 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 96th General Assembly.

Section 97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 99. Effective date. This Section and the changes to Section 17-129 of the Illinois Pension Code take effect upon becoming law."

Under the rules, the foregoing **Senate Bill No. 1946**, with House Amendments numbered 1 and 4, was referred to the Secretary's Desk.

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JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendments 1 and 4 to Senate Bill 1946

CONSIDERATION OF RESOLUTIONS ON SECRETARY'S DESK

Senator Kotowski moved that **Senate Resolution No. 681**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Kotowski moved that Senate Resolution No. 681 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Sandoval moved that **Senate Resolution No. 435**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Sandoval moved that Senate Resolution No. 435 be adopted.

The motion prevailed.

And the resolution was adopted.

Senator Harmon moved that **Senate Joint Resolution No. 81**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

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

AMENDMENT NO. 1 TO SENATE JOINT RESOLUTION 81

AMENDMENT NO. 1. Amend Senate Joint Resolution 81 by replacing everything after the heading with the following:

"WHEREAS, Illinois' community financial institutions provide the local support our communities need to prosper and grow; and

WHEREAS, With more than \$130 billion in assets, community banks know that when money stays in communities it becomes a renewable resource, creating an economic cycle that constantly revitalizes and stimulates local communities; and

WHEREAS, These banks have made significant contributions to the economic well-being of the communities they serve through their financial support, their dedication as good neighbors, and above all, their service as financially sound and reliable sources of economic lifeblood in our communities; and

WHEREAS, Park National Bank, a subsidiary of FBOP Corp., was a model community bank that successfully provided the quality services, access to capital, and commitment to community reinvestment that all financial institutions should provide, such as creating jobs for local residents; investing in new schools, start-up businesses, and affordable housing; supporting the work of local non-profit and cultural organizations; and exemplifying innovation, fairness, and flexibility; and

WHEREAS, On October 30, 2009, after FBOP Corp.'s request for \$500 million in Troubled Asset Relief Program assistance was denied, the Federal Deposit Insurance Corporation seized the assets of Park National Bank; and

WHEREAS, The closure of this bank came hours after Treasury Secretary Timothy Geithner attended
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a ceremony in Chicago that awarded Park National Bank \$50 million in tax credits to help spur community-development projects in low-income communities; and

WHEREAS, The rules of the FDIC create a double standard that harms our communities because community banks are seized and sold, even though the Treasury Secretary says Park National Bank is doing all the right things to help turn itself around; and

WHEREAS, Other community banks that make the spirit and letter of the Community Reinvestment Act their core mission may be in jeopardy; and

WHEREAS, A coalition of church and community leaders from across Chicago's neighborhoods have taken the initiative to raise awareness about the FDIC's actions against Park National Bank; the Coalition's initial steps have included conducting research on the impact that the FDIC's seizure of Park National Bank will have on minority lending and mortgage foreclosures in the community; developing a petition drive calling for a Congressional Hearing investigating the FDIC's actions and the apparent lack of federal aid for a model community bank, and holding a Community Town Hall Meeting; and

WHEREAS, For community banks to continue being an integral part in the development of our communities and this State as a whole, the federal government needs to consider reforms to assist and preserve community banks; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that we urge the United States House of Representatives Financial Services Committee and the United States Senate Committee on Banking, Housing, and Urban Affairs to continue hearings to investigate the FDIC's seizure of Park National Bank for the impacts that this action will have on the communities that Park National Bank has served so well, and the wider implications for the future of community banking; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the members of the Illinois congressional delegation, United States Representative Barney Frank, and United States Senator Christopher Dodd."

Senator Harmon moved that Senate Joint Resolution 81, as amended, be adopted.

The motion prevailed.

And the resolution was adopted.

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

Senator Koehler moved that **Senate Joint Resolution No. 105**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Koehler moved that Senate Joint Resolution No. 105 be adopted.

The motion prevailed.

And the resolution was adopted.

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

Senator Frerichs moved that **Senate Joint Resolution No. 107**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Frerichs moved that Senate Joint Resolution No. 107 be adopted.

The motion prevailed.

And the resolution was adopted.

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

Senator Wilhelmi moved that **Senate Resolution No. 633**, on the Secretary's Desk, be taken up for immediate consideration.

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The motion prevailed.
 Senator Wilhelmi moved that Senate Resolution No. 633 be adopted.
 The motion prevailed.
 And the resolution was adopted.

Senator Garrett moved that **House Joint Resolution No. 56**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.
 Senator Garrett moved that House Joint Resolution No. 56 be adopted.
 The motion prevailed.
 And the resolution was adopted.
 Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 5:09 o'clock p.m., Senator Hendon, presiding.

Senator Lightford moved that **Senate Resolution No. 643**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.
 Senator Lightford moved that Senate Resolution No. 643 be adopted.
 The motion prevailed.
 And the resolution was adopted.

Senator Lightford moved that **Senate Resolution No. 651**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.
 Senator Lightford moved that Senate Resolution No. 651 be adopted.
 The motion prevailed.
 And the resolution was adopted.

At the hour of 5:11 o'clock p.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 5:28 o'clock p.m., the Senate resumed consideration of business.
 Senator Lightford, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 24, 2010 meeting, reported the following Legislative Measure has been assigned to the indicated Standing Committees of the Senate:

Appropriations I: **Senate Floor Amendment No. 2 to House Bill 859.**

Education: **Senate Floor Amendment No. 2 to Senate Bill 618.**

Environment: **Senate Floor Amendment No. 1 to Senate Bill 3320; Senate Floor Amendment No. 2 to Senate Bill 3750.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 24, 2010 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committee of the Senate:

Executive: **Motion to Concur in House Amendment 1 to Senate Bill 1578**
Motion to Concur in House Amendments 1 and 4 to Senate Bill 1946

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MOTION TO RECONSIDER THE VOTE

Having voted on the prevailing side, Senator Koehler moved to reconsider the vote by which **Senate Joint Resolution No. 105** was adopted.

Senator Righter had an inquiry of the Chair as to whether the motion is in order since the resolution had been adopted on a voice vote.

The Chair stated that pursuant to Senate Rule 7-15(a), the motion is in order.

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

YEAS 54; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Koehler	Pankau
Bivins	Forby	Kotowski	Righter
Bomke	Frerichs	Laufen	Sandoval
Bond	Garrett	Lightford	Schoenberg
Burzynski	Haine	Link	Silverstein
Clayborne	Harmon	Luechtefeld	Steans
Collins	Hendon	Maloney	Sullivan
Cronin	Holmes	Martinez	Syverson
Crotty	Hultgren	McCarter	Trotter
Dahl	Hunter	Meeks	Viverito
DeLeo	Hutchinson	Millner	Wilhelmi
Delgado	Jacobs	Muñoz	Mr. President
Demuzio	Jones, E.	Murphy	
Dillard	Jones, J.	Noland	

The motion prevailed.

Senator Koehler moved that **Senate Joint Resolution No. 105** be adopted.

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

YEAS 53; NAYS 2.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Righter
Bivins	Frerichs	Lightford	Sandoval
Bomke	Garrett	Link	Schoenberg
Bond	Haine	Luechtefeld	Silverstein
Brady	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Crotty	Hultgren	Meeks	Trotter
Dahl	Hunter	Millner	Viverito
DeLeo	Hutchinson	Muñoz	Wilhelmi
Delgado	Jacobs	Murphy	Mr. President
Demuzio	Jones, E.	Noland	
Dillard	Jones, J.	Pankau	
Duffy	Koehler	Radogno	

The following voted in the negative:

Burzynski
Laufen

The motion prevailed.

And the resolution was adopted.

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

COMMITTEE MEETING ANNOUNCEMENTS

Senator Silverstein announced that the Committee on Executive will meet in Room 212 at 6:33 o'clock p.m.

Senator Sullivan announced that the Committee on Appropriations I will meet in Room 400 at 6:35 o'clock p.m.

READING BILLS OF THE SENATE A SECOND TIME

On motion of Senator Clayborne, **Senate Bill No. 3343** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 3343

AMENDMENT NO. 1. Amend Senate Bill 3343 by replacing everything after the enacting clause with the following:

"Section 5. The Public Utilities Act is amended by changing Section 15-401 as follows:
(220 ILCS 5/15-401)

Sec. 15-401. Licensing.

(a) No person shall operate as a common carrier by pipeline unless the person possesses a certificate in good standing authorizing it to operate as a common carrier by pipeline. No person shall begin or continue construction of a pipeline or other facility, other than the repair or replacement of an existing pipeline or facility, for use in operations as a common carrier by pipeline unless the person possesses a certificate in good standing.

(b) Requirements for issuance. The Commission, after a hearing, shall grant an application for a certificate authorizing operations as a common carrier by pipeline, in whole or in part, to the extent that it finds that the application was properly filed; a public need for the service exists; the applicant is fit, willing, and able to provide the service in compliance with this Act, Commission regulations, and orders; and the public convenience and necessity requires issuance of the certificate.

In its determination of public convenience and necessity for a proposed pipeline or facility designed or intended to transport crude oil and any alternate locations for such proposed pipeline or facility, the Commission shall consider, but not be limited to, the following:

(1) any evidence presented by the Illinois Environmental Protection Agency regarding the environmental impact of the proposed pipeline or other facility;

(2) any evidence presented by the Illinois Department of Transportation regarding the impact of the proposed pipeline or facility on traffic safety, road construction, or other transportation issues;

(3) any evidence presented by the Department of Natural Resources regarding the impact of the proposed pipeline or facility on any conservation areas, forest preserves, wildlife preserves, wetlands, or any other natural resource;

(4) any evidence of the effect of the pipeline upon the economy, infrastructure, and public safety presented by local governmental units that will be affected by the proposed pipeline or facility;

(5) any evidence of the effect of the pipeline upon property values presented by property owners who will be affected by the proposed pipeline or facility, provided, however that the Commission need not hear evidence as to the actual valuation of property such as that as would be presented to and determined by the courts under the Eminent Domain Act;

(6) any evidence presented by the Department of Commerce and Economic Opportunity regarding the current and future economic effect of the proposed pipeline or facility including, but not limited to, property values, employment rates, and residential and business development; and

(7) any evidence presented by any other State agency that participates in the proceeding

In its written order, the Commission shall address all of the evidence presented, and if the order is contrary to any of the evidence, the Commission shall state the reasons for its determination with regard to that evidence. The provisions of this amendatory Act of 1996 apply to any certificate granted or denied after the effective date of this amendatory Act of 1996.

(c) Duties and obligations of common carriers by pipeline. Each common carrier by pipeline shall provide adequate service to the public at reasonable rates and without discrimination.
(Source: P.A. 94-793, eff. 5-19-06.)

Section 99. Effective date. This Act takes effect July 1, 2010."

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Jones, E. III, **Senate Bill No. 3513** having been printed, was taken up, read by title a second time.

Senate Committee Amendment Nos. 1 and 2 were held in the Committee on Assignments.

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

AMENDMENT NO. 3 TO SENATE BILL 3513

AMENDMENT NO. 3. Amend Senate Bill 3513 by replacing everything after the enacting clause with the following:

"Section 5. The Juvenile Court Act of 1987 is amended by changing Section 5-905 as follows:
(705 ILCS 405/5-905)

Sec. 5-905. Law enforcement records.

(1) Law Enforcement Records. Inspection and copying of law enforcement records maintained by law enforcement agencies that relate to a minor who has been arrested or taken into custody before his or her 17th birthday shall be restricted to the following and when necessary for the discharge of their official duties:

(a) A judge of the circuit court and members of the staff of the court designated by the judge;

(b) Law enforcement officers, probation officers or prosecutors or their staff, or, when necessary for the discharge of its official duties in connection with a particular investigation of the conduct of a law enforcement officer, an independent agency or its staff created by ordinance and charged by a unit of local government with the duty of investigating the conduct of law enforcement officers;

(c) The minor, the minor's parents or legal guardian and their attorneys, but only when the juvenile has been charged with an offense;

(d) Adult and Juvenile Prisoner Review Boards;

(e) Authorized military personnel;

(f) Persons engaged in bona fide research, with the permission of the judge of juvenile court and the chief executive of the agency that prepared the particular recording: provided that publication of such research results in no disclosure of a minor's identity and protects the confidentiality of the record;

(g) Individuals responsible for supervising or providing temporary or permanent care and custody of minors pursuant to orders of the juvenile court or directives from officials of the Department of Children and Family Services or the Department of Human Services who certify in writing that the information will not be disclosed to any other party except as provided under law or order of court;

(h) The appropriate school official. Inspection and copying shall be limited to law enforcement records transmitted to the appropriate school official by a local law enforcement agency under a reciprocal reporting system established and maintained between the school district and the local law enforcement agency under Section 10-20.14 of the School Code concerning a minor enrolled in a school within the school district who has been arrested for any offense classified as a felony or a Class A or B misdemeanor.

(2) ~~Except as otherwise provided in subsection (2.5), information~~ ~~Information~~ identifying victims and alleged victims of sex offenses, shall not be disclosed or open to public inspection ~~under any circumstances~~. Nothing in this Section shall prohibit the victim or alleged victim of any sex offense from

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voluntarily disclosing his or her identity.

(2.5) Information identifying victims of aggravated battery, battery, attempted first degree murder, or other non-sexual violent offenses may be disclosed to appropriate school officials by a local law enforcement agency pursuant to an agreement established between the school district and the local law enforcement agency subject to the approval by the presiding judge of the juvenile court for the purpose of preventing foreseeable future violence involving minors.

(3) Relevant information, reports and records shall be made available to the Department of Juvenile Justice when a juvenile offender has been placed in the custody of the Department of Juvenile Justice.

(4) Nothing in this Section shall prohibit the inspection or disclosure to victims and witnesses of photographs contained in the records of law enforcement agencies when the inspection or disclosure is conducted in the presence of a law enforcement officer for purposes of identification or apprehension of any person in the course of any criminal investigation or prosecution.

(5) The records of law enforcement officers, or of an independent agency created by ordinance and charged by a unit of local government with the duty of investigating the conduct of law enforcement officers, concerning all minors under 17 years of age must be maintained separate from the records of adults and may not be open to public inspection or their contents disclosed to the public except by order of the court or when the institution of criminal proceedings has been permitted under Section 5-130 or 5-805 or required under Section 5-130 or 5-805 or such a person has been convicted of a crime and is the subject of pre-sentence investigation or when provided by law.

(6) Except as otherwise provided in this subsection (6), law enforcement officers, and personnel of an independent agency created by ordinance and charged by a unit of local government with the duty of investigating the conduct of law enforcement officers, may not disclose the identity of any minor in releasing information to the general public as to the arrest, investigation or disposition of any case involving a minor. Any victim or parent or legal guardian of a victim may petition the court to disclose the name and address of the minor and the minor's parents or legal guardian, or both. Upon a finding by clear and convincing evidence that the disclosure is either necessary for the victim to pursue a civil remedy against the minor or the minor's parents or legal guardian, or both, or to protect the victim's person or property from the minor, then the court may order the disclosure of the information to the victim or to the parent or legal guardian of the victim only for the purpose of the victim pursuing a civil remedy against the minor or the minor's parents or legal guardian, or both, or to protect the victim's person or property from the minor.

(7) Nothing contained in this Section shall prohibit law enforcement agencies when acting in their official capacity from communicating with each other by letter, memorandum, teletype or intelligence alert bulletin or other means the identity or other relevant information pertaining to a person under 17 years of age. The information provided under this subsection (7) shall remain confidential and shall not be publicly disclosed, except as otherwise allowed by law.

(8) No person shall disclose information under this Section except when acting in his or her official capacity and as provided by law or order of court.

(Source: P.A. 96-419, eff. 8-13-09.)"

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Collins, **Senate Bill No. 3781** having been printed, was taken up, read by title a second time.

Senate Committee Amendment No. 1 was held in the Committee on Assignments.

Senator Collins offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 3781

AMENDMENT NO. 2. Amend Senate Bill 3781 by replacing everything after the enacting clause with the following:

"Section 5. The Residential Mortgage License Act of 1987 is amended by changing Sections 1-3 and 1-4 as follows:

(205 ILCS 635/1-3) (from Ch. 17, par. 2321-3)

Sec. 1-3. Necessity for License; Scope of Act.

(a) No person, partnership, association, corporation or other entity shall engage in the business of brokering, funding, originating, servicing or purchasing of residential mortgage loans without first obtaining a license from the Commissioner in accordance with the licensing procedure provided in this

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Article I and such regulations as may be promulgated by the Commissioner. The licensing provisions of this Section shall not apply to any entity engaged solely in commercial mortgage lending or to any person, partnership association, corporation or other entity exempted pursuant to Section 1-4, subsection (d), of this Act or in accordance with regulations promulgated by the Commissioner hereunder. No provision of this Act shall apply to an exempt person or entity as defined in items (1) and (1.5) of subsection (d) of Section 1-4 of this Act. Notwithstanding anything to the contrary in the preceding sentence, an individual acting as a mortgage loan originator who is not employed by and acting for an entity described in item (1) of subsection (tt) of Section 1-4 of this Act shall be subject to the mortgage loan originator licensing requirements of Article VII of this Act.

(b) No person, partnership, association, corporation, or other entity except a licensee under this Act or an entity exempt from licensing pursuant to Section 1-4, subsection (d), of this Act shall do any business under any name or title, or circulate or use any advertising or make any representation or give any information to any person, which indicates or reasonably implies activity within the scope of this Act.

(c) The Commissioner may, through the Attorney General, request the circuit court of either Cook or Sangamon County to issue an injunction to restrain any person from violating or continuing to violate any of the foregoing provisions of this Section.

(d) When the Commissioner has reasonable cause to believe that any entity which has not submitted an application for licensure is conducting any of the activities described in subsection (a) hereof, the Commissioner shall have the power to examine all books and records of the entity and any additional documentation necessary in order to determine whether such entity should become licensed under this Act.

(d-1) The Commissioner may issue orders against any person if the Commissioner has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur, if any person has violated, is violating, or is about to violate any law, rule, or written agreement with the Commissioner, or for the purposes of administering the provisions of this Act and any rule adopted in accordance with this Act.

(e) Any person, partnership, association, corporation or other entity who violates any provision of this Section commits a business offense and shall be fined an amount not to exceed \$25,000.

(f) Each person, partnership, association, corporation or other entity conducting activities regulated by this Act shall be issued one license. Each office, place of business or location at which a residential mortgage licensee conducts any part of his or her business must be recorded with the Commissioner pursuant to Section 2-8 of this Act.

(g) Licensees under this Act shall solicit, broker, fund, originate, service and purchase residential mortgage loans only in conformity with the provisions of this Act and such rules and regulations as may be promulgated by the Commissioner.

(h) This Act applies to all entities doing business in Illinois as residential mortgage bankers, as defined by "An Act to provide for the regulation of mortgage bankers", approved September 15, 1977, as amended, regardless of whether licensed under that or any prior Act. Any existing residential mortgage lender or residential mortgage broker in Illinois whether or not previously licensed, must operate in accordance with this Act.

(i) This Act is a successor Act to and a continuance of the regulation of residential mortgage bankers provided in, "An Act to provide for the regulation of mortgage bankers", approved September 15, 1977, as amended.

Entities and persons subject to the predecessor Act shall be subject to this Act from and after its effective date.

(Source: P.A. 96-112, eff. 7-31-09.)

(205 ILCS 635/1-4)

Sec. 1-4. Definitions.

(a) "Residential real property" or "residential real estate" shall mean any real property located in Illinois, upon which is constructed or intended to be constructed a dwelling.

(b) "Making a residential mortgage loan" or "funding a residential mortgage loan" shall mean for compensation or gain, either directly or indirectly, advancing funds or making a commitment to advance funds to a loan applicant for a residential mortgage loan.

(c) "Soliciting, processing, placing, or negotiating a residential mortgage loan" shall mean for compensation or gain, either directly or indirectly, accepting or offering to accept an application for a residential mortgage loan, assisting or offering to assist in the processing of an application for a residential mortgage loan on behalf of a borrower, or negotiating or offering to negotiate the terms or conditions of a residential mortgage loan with a lender on behalf of a borrower including, but not limited to, the submission of credit packages for the approval of lenders, the preparation of residential mortgage

loan closing documents, including a closing in the name of a broker.

(d) "Exempt person or entity" shall mean the following:

(1) (i) Any banking organization or foreign banking corporation licensed by the Illinois Commissioner of Banks and Real Estate or the United States Comptroller of the Currency to transact business in this State; (ii) any national bank, federally chartered savings and loan association, federal savings bank, federal credit union; (iii) any pension trust, bank trust, or bank trust company; (iv) any bank, savings and loan association, savings bank, or credit union organized under the laws of this or any other state; (v) any Illinois Consumer Installment Loan Act licensee; (vi) any insurance company authorized to transact business in this State; (vii) any entity engaged solely in commercial mortgage lending; (viii) any service corporation of a savings and loan association or savings bank organized under the laws of this State or the service corporation of a federally chartered savings and loan association or savings bank having its principal place of business in this State, other than a service corporation licensed or entitled to reciprocity under the Real Estate License Act of 2000; or (ix) any first tier subsidiary of a bank, the charter of which is issued under the Illinois Banking Act by the Illinois Commissioner of Banks and Real Estate, or the first tier subsidiary of a bank chartered by the United States Comptroller of the Currency and that has its principal place of business in this State, provided that the first tier subsidiary is regularly examined by the Illinois Commissioner of Banks and Real Estate or the Comptroller of the Currency, or a consumer compliance examination is regularly conducted by the Federal Reserve Board.

(1.5) Any employee of a person or entity mentioned in item (1) of this subsection, when acting for such person or entity, or any registered mortgage loan originator when acting for an entity described in subsection (tt) of this Section.

(2) ~~(Blank) Any person or entity that does not originate mortgage loans in the ordinary course of business making or acquiring residential mortgage loans with his or her or its own funds for his or her or its own investment without intent to make, acquire, or resell more than 2 residential mortgage loans in any one calendar year.~~

(3) Any person employed by a licensee to assist in the performance of the residential mortgage licensee's activities

regulated by this Act who is compensated in any manner by only one licensee.

(4) (Blank).

(5) Any individual, corporation, partnership, or other entity that originates, services, or brokers residential mortgage loans, as these activities are defined in this Act, and who or which receives no compensation for those activities, subject to the Commissioner's regulations and the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 and the rules promulgated under that Act with regard to the nature and amount of compensation.

(6) (Blank).

(e) "Licensee" or "residential mortgage licensee" shall mean a person, partnership, association, corporation, or any other entity who or which is licensed pursuant to this Act to engage in the activities regulated by this Act.

(f) "Mortgage loan" "residential mortgage loan" or "home mortgage loan" shall mean any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling as defined in Section 103(v) of the federal Truth in Lending Act, or residential real estate upon which is constructed or intended to be constructed a dwelling.

(g) "Lender" shall mean any person, partnership, association, corporation, or any other entity who either lends or invests money in residential mortgage loans.

(h) "Ultimate equitable owner" shall mean a person who, directly or indirectly, owns or controls an ownership interest in a corporation, foreign corporation, alien business organization, trust, or any other form of business organization regardless of whether the person owns or controls the ownership interest through one or more persons or one or more proxies, powers of attorney, nominees, corporations, associations, partnerships, trusts, joint stock companies, or other entities or devices, or any combination thereof.

(i) "Residential mortgage financing transaction" shall mean the negotiation, acquisition, sale, or arrangement for or the offer to negotiate, acquire, sell, or arrange for, a residential mortgage loan or residential mortgage loan commitment.

(j) "Personal residence address" shall mean a street address and shall not include a post office box number.

(k) "Residential mortgage loan commitment" shall mean a contract for residential mortgage loan financing.

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(l) "Party to a residential mortgage financing transaction" shall mean a borrower, lender, or loan broker in a residential mortgage financing transaction.

(m) "Payments" shall mean payment of all or any of the following: principal, interest and escrow reserves for taxes, insurance and other related reserves, and reimbursement for lender advances.

(n) "Commissioner" shall mean the Commissioner of Banks and Real Estate, except that, beginning on April 6, 2009 (the effective date of Public Act 95-1047) ~~this amendatory Act of the 95th General Assembly~~, all references in this Act to the Commissioner of Banks and Real Estate are deemed, in appropriate contexts, to be references to the Secretary of Financial and Professional Regulation, or his or her designee, including the Director of the Division of Banking of the Department of Financial and Professional Regulation.

(n-1) "Director" shall mean the Director of the Division of Banking of the Department of Financial and Professional Regulation, except that, beginning on July 31, 2009 (the effective date of Public Act 96-112) ~~this amendatory Act of the 96th General Assembly~~, all references in this Act to the Director are deemed, in appropriate contexts, to be the Secretary of Financial and Professional Regulation, or his or her designee, including the Director of the Division of Banking of the Department of Financial and Professional Regulation.

(o) "Loan brokering", "brokering", or "brokerage service" shall mean the act of helping to obtain from another entity, for a borrower, a loan secured by residential real estate situated in Illinois or assisting a borrower in obtaining a loan secured by residential real estate situated in Illinois in return for consideration to be paid by either the borrower or the lender including, but not limited to, contracting for the delivery of residential mortgage loans to a third party lender and soliciting, processing, placing, or negotiating residential mortgage loans.

(p) "Loan broker" or "broker" shall mean a person, partnership, association, corporation, or limited liability company, other than those persons, partnerships, associations, corporations, or limited liability companies exempted from licensing pursuant to Section 1-4, subsection (d), of this Act, who performs the activities described in subsections (c) and (o) of this Section.

(q) "Servicing" shall mean the collection or remittance for or the right or obligation to collect or remit for any lender, noteowner, noteholder, or for a licensee's own account, of payments, interests, principal, and trust items such as hazard insurance and taxes on a residential mortgage loan in accordance with the terms of the residential mortgage loan; and includes loan payment follow-up, delinquency loan follow-up, loan analysis and any notifications to the borrower that are necessary to enable the borrower to keep the loan current and in good standing.

(r) "Full service office" shall mean an office, provided by the licensee and not subleased from the licensee's employees, and staff in Illinois reasonably adequate to handle efficiently communications, questions, and other matters relating to any application for, or an existing home mortgage secured by residential real estate situated in Illinois with respect to which the licensee is brokering, funding originating, purchasing, or servicing. The management and operation of each full service office must include observance of good business practices such as proper signage; adequate, organized, and accurate books and records; ample phone lines, hours of business, staff training and supervision, and provision for a mechanism to resolve consumer inquiries, complaints, and problems. The Commissioner shall issue regulations with regard to these requirements and shall include an evaluation of compliance with this Section in his or her periodic examination of each licensee.

(s) "Purchasing" shall mean the purchase of conventional or government-insured mortgage loans secured by residential real estate situated in Illinois from either the lender or from the secondary market.

(t) "Borrower" shall mean the person or persons who seek the services of a loan broker, originator, or lender.

(u) "Originating" shall mean the issuing of commitments for and funding of residential mortgage loans.

(v) "Loan brokerage agreement" shall mean a written agreement in which a broker or loan broker agrees to do either of the following:

- (1) obtain a residential mortgage loan for the borrower or assist the borrower in obtaining a residential mortgage loan; or
- (2) consider making a residential mortgage loan to the borrower.

(w) "Advertisement" shall mean the attempt by publication, dissemination, or circulation to induce, directly or indirectly, any person to enter into a residential mortgage loan agreement or residential mortgage loan brokerage agreement relative to a mortgage secured by residential real estate situated in Illinois.

(x) "Residential Mortgage Board" shall mean the Residential Mortgage Board created in Section 1-5 of this Act.

(y) "Government-insured mortgage loan" shall mean any mortgage loan made on the security of residential real estate insured by the Department of Housing and Urban Development or Farmers Home Loan Administration, or guaranteed by the Veterans Administration.

(z) "Annual audit" shall mean a certified audit of the licensee's books and records and systems of internal control performed by a certified public accountant in accordance with generally accepted accounting principles and generally accepted auditing standards.

(aa) "Financial institution" shall mean a savings and loan association, savings bank, credit union, or a bank organized under the laws of Illinois or a savings and loan association, savings bank, credit union or a bank organized under the laws of the United States and headquartered in Illinois.

(bb) "Escrow agent" shall mean a third party, individual or entity charged with the fiduciary obligation for holding escrow funds on a residential mortgage loan pending final payout of those funds in accordance with the terms of the residential mortgage loan.

(cc) "Net worth" shall have the meaning ascribed thereto in Section 3-5 of this Act.

(dd) "Affiliate" shall mean:

(1) any entity that directly controls or is controlled by the licensee and any other company that is directly affecting activities regulated by this Act that is controlled by the company that controls the licensee;

(2) any entity:

(A) that is controlled, directly or indirectly, by a trust or otherwise, by or for the benefit of shareholders who beneficially or otherwise control, directly or indirectly, by trust or otherwise, the licensee or any company that controls the licensee; or

(B) a majority of the directors or trustees of which constitute a majority of the persons holding any such office with the licensee or any company that controls the licensee;

(3) any company, including a real estate investment trust, that is sponsored and advised on a contractual basis by the licensee or any subsidiary or affiliate of the licensee.

The Commissioner may define by rule and regulation any terms used in this Act for the efficient and clear administration of this Act.

(ee) "First tier subsidiary" shall be defined by regulation incorporating the comparable definitions used by the Office of the Comptroller of the Currency and the Illinois Commissioner of Banks and Real Estate.

(ff) "Gross delinquency rate" means the quotient determined by dividing (1) the sum of (i) the number of government-insured residential mortgage loans funded or purchased by a licensee in the preceding calendar year that are delinquent and (ii) the number of conventional residential mortgage loans funded or purchased by the licensee in the preceding calendar year that are delinquent by (2) the sum of (i) the number of government-insured residential mortgage loans funded or purchased by the licensee in the preceding calendar year and (ii) the number of conventional residential mortgage loans funded or purchased by the licensee in the preceding calendar year.

(gg) "Delinquency rate factor" means the factor set by rule of the Commissioner that is multiplied by the average gross delinquency rate of licensees, determined annually for the immediately preceding calendar year, for the purpose of determining which licensees shall be examined by the Commissioner pursuant to subsection (b) of Section 4-8 of this Act.

(hh) "Loan originator" means any natural person who, for compensation or in the expectation of compensation, either directly or indirectly makes, offers to make, solicits, places, or negotiates a residential mortgage loan. This definition applies only to Section 7-1 of this Act.

(ii) "Confidential supervisory information" means any report of examination, visitation, or investigation prepared by the Commissioner under this Act, any report of examination visitation, or investigation prepared by the state regulatory authority of another state that examines a licensee, any document or record prepared or obtained in connection with or relating to any examination, visitation, or investigation, and any record prepared or obtained by the Commissioner to the extent that the record summarizes or contains information derived from any report, document, or record described in this subsection. "Confidential supervisory information" does not include any information or record routinely prepared by a licensee and maintained in the ordinary course of business or any information or record that is required to be made publicly available pursuant to State or federal law or rule.

(jj) "Mortgage loan originator" means an individual who for compensation or gain or in the expectation of compensation or gain:

(i) takes a residential mortgage loan application; or

(ii) offers or negotiates terms of a residential mortgage loan.

"Mortgage loan originator" does not include an individual engaged solely as a loan processor or underwriter except as otherwise provided in subsection (d) of Section 7-1A of this Act.

"Mortgage loan originator" does not include a person or entity that only performs real estate brokerage activities and is licensed in accordance with the Real Estate License Act of 2000, unless the person or entity is compensated by a lender, a mortgage broker, or other mortgage loan originator, or by any agent of that lender, mortgage broker, or other mortgage loan originator.

"Mortgage loan originator" does not include a person or entity solely involved in extensions of credit relating to timeshare plans, as that term is defined in Section 101(53D) of Title 11, United States Code.

(kk) "Depository institution" has the same meaning as in Section 3 of the Federal Deposit Insurance Act, and includes any credit union.

(ll) "Dwelling" means a residential structure or mobile home which contains one to 4 family housing units, or individual units of condominiums or cooperatives.

(mm) "Immediate family member" means a spouse, child, sibling, parent, grandparent, or grandchild, and includes step-parents, step-children, step-siblings, or adoptive relationships.

(nn) "Individual" means a natural person.

(oo) "Loan processor or underwriter" means an individual who performs clerical or support duties as an employee at the direction of and subject to the supervision and instruction of a person licensed, or exempt from licensing, under this Act. "Clerical or support duties" includes subsequent to the receipt of an application:

(i) the receipt, collection, distribution, and analysis of information common for the processing or underwriting of a residential mortgage loan; and

(ii) communicating with a consumer to obtain the information necessary for the processing or underwriting of a loan, to the extent that the communication does not include offering or negotiating loan rates or terms, or counseling consumers about residential mortgage loan rates or terms. An individual engaging solely in loan processor or underwriter activities shall not represent to the public, through advertising or other means of communicating or providing information, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the individual can or will perform any of the activities of a mortgage loan originator.

(pp) "Nationwide Mortgage Licensing System and Registry" means a mortgage licensing system developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators for the licensing and registration of licensed mortgage loan originators.

(qq) "Nontraditional mortgage product" means any mortgage product other than a 30-year fixed rate mortgage.

(rr) "Person" means a natural person, corporation, company, limited liability company, partnership, or association.

(ss) "Real estate brokerage activity" means any activity that involves offering or providing real estate brokerage services to the public, including:

(1) acting as a real estate agent or real estate broker for a buyer, seller, lessor, or lessee of real property;

(2) bringing together parties interested in the sale, purchase, lease, rental, or exchange of real property;

(3) negotiating, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property, other than in connection with providing financing with respect to any such transaction;

(4) engaging in any activity for which a person engaged in the activity is required to be registered or licensed as a real estate agent or real estate broker under any applicable law; or

(5) offering to engage in any activity, or act in any capacity, described in this subsection (ss).

(tt) "Registered mortgage loan originator" means any individual that:

(1) meets the definition of mortgage loan originator and is an employee of:

(A) a depository institution;

(B) a subsidiary that is:

(i) owned and controlled by a depository institution; and

(ii) regulated by a federal banking agency; or

(C) an institution regulated by the Farm Credit Administration; and

(2) is registered with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

(uu) "Unique identifier" means a number or other identifier assigned by protocols established by the Nationwide Mortgage Licensing System and Registry.

(vv) "Residential mortgage license" means a license issued pursuant to Section 1-3, 2-2, or 2-6 of this Act.

(ww) "Mortgage loan originator license" means a license issued pursuant to Section 7-1A, 7-3, or 7-6 of this Act.

(xx) (ii) "Secretary" means the Secretary of the Department of Financial and Professional Regulation, or a person authorized by the Secretary or by this Act to act in the Secretary's stead. (Source: P.A. 95-1047, eff. 4-6-09; 96-112, eff. 7-31-09; revised 8-20-09.)"

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.

On motion of Senator Cullerton, **Senate Bill No. 3797** having been printed, was taken up, read by title a second time.

Senator Cullerton offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 3797

AMENDMENT NO. 1. Amend Senate Bill 3797 by replacing everything after the enacting clause with the following:

"Section 5. The Criminal Code of 1961 is amended by changing Sections 16-1, 16A-2.2, 16A-10, 16H-60, and 16J-25 and by adding Sections 16A-2.14 and 16A-11 as follows:

(720 ILCS 5/16-1) (from Ch. 38, par. 16-1)

Sec. 16-1. Theft.

(a) A person commits theft when he knowingly:

(1) Obtains or exerts unauthorized control over property of the owner; or

(2) Obtains by deception control over property of the owner; or

(3) Obtains by threat control over property of the owner; or

(4) Obtains control over stolen property knowing the property to have been stolen or under such circumstances as would reasonably induce him to believe that the property was stolen; or

(5) Obtains or exerts control over property in the custody of any law enforcement agency which is explicitly represented to him by any law enforcement officer or any individual acting in behalf of a law enforcement agency as being stolen, and

(A) Intends to deprive the owner permanently of the use or benefit of the property;

or

(B) Knowingly uses, conceals or abandons the property in such manner as to deprive the owner permanently of such use or benefit; or

(C) Uses, conceals, or abandons the property knowing such use, concealment or abandonment probably will deprive the owner permanently of such use or benefit.

(b) Sentence.

(1) Theft of property not from the person and not exceeding \$500 ~~\$300~~ in value is a Class A misdemeanor.

(1.1) Theft of property not from the person and not exceeding \$500 ~~\$300~~ in value is a Class 4 felony if the theft was committed in a school or place of worship or if the theft was of governmental property.

(2) A person who has been convicted of theft of property not from the person and not exceeding \$500 ~~\$300~~ in value who has been previously convicted of any type of theft, robbery, armed robbery, burglary, residential burglary, possession of burglary tools, home invasion, forgery, a violation of Section 4-103, 4-103.1, 4-103.2, or 4-103.3 of the Illinois Vehicle Code relating to the possession of a stolen or converted motor vehicle, or a violation of Section 8 of the Illinois Credit Card and Debit Card Act is guilty of a Class 4 felony. When a person has any such prior conviction, the information or indictment charging that person shall state such prior conviction so as to give notice of the State's intention to treat the charge as a felony. The fact of such prior conviction is not an element of the offense and may not be disclosed to the jury during trial unless otherwise permitted by issues properly raised during such trial.

(3) (Blank).

(4) Theft of property from the person not exceeding \$500 ~~\$300~~ in value, or theft of property exceeding \$500 ~~\$300~~ and not exceeding \$10,000 in value, is a Class 3 felony.

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(4.1) Theft of property from the person not exceeding ~~\$500~~ ~~\$300~~ in value, or theft of property exceeding ~~\$500~~ ~~\$300~~ and not exceeding \$10,000 in value, is a Class 2 felony if the theft was committed in a school or place of worship or if the theft was of governmental property.

(5) Theft of property exceeding \$10,000 and not exceeding \$100,000 in value is a Class 2 felony.

(5.1) Theft of property exceeding \$10,000 and not exceeding \$100,000 in value is a Class 1 felony if the theft was committed in a school or place of worship or if the theft was of governmental property.

(6) Theft of property exceeding \$100,000 and not exceeding \$500,000 in value is a Class 1 felony.

(6.1) Theft of property exceeding \$100,000 in value is a Class X felony if the theft was committed in a school or place of worship or if the theft was of governmental property.

(6.2) Theft of property exceeding \$500,000 and not exceeding \$1,000,000 in value is a Class 1 non-probationable felony.

(6.3) Theft of property exceeding \$1,000,000 in value is a Class X felony.

(7) Theft by deception, as described by paragraph (2) of subsection (a) of this Section, in which the offender obtained money or property valued at \$5,000 or more from a victim 60 years of age or older is a Class 2 felony.

(8) Theft by deception, as described by paragraph (2) of subsection (a) of this Section, in which the offender falsely poses as a landlord or agent or employee of the landlord and obtains a rent payment or a security deposit from a tenant is a Class 3 felony if the rent payment or security deposit obtained does not exceed ~~\$500~~ ~~\$300~~.

(9) Theft by deception, as described by paragraph (2) of subsection (a) of this Section, in which the offender falsely poses as a landlord or agent or employee of the landlord and obtains a rent payment or a security deposit from a tenant is a Class 2 felony if the rent payment or security deposit obtained exceeds ~~\$500~~ ~~\$300~~ and does not exceed \$10,000.

(10) Theft by deception, as described by paragraph (2) of subsection (a) of this Section, in which the offender falsely poses as a landlord or agent or employee of the landlord and obtains a rent payment or a security deposit from a tenant is a Class 1 felony if the rent payment or security deposit obtained exceeds \$10,000 and does not exceed \$100,000.

(11) Theft by deception, as described by paragraph (2) of subsection (a) of this Section, in which the offender falsely poses as a landlord or agent or employee of the landlord and obtains a rent payment or a security deposit from a tenant is a Class X felony if the rent payment or security deposit obtained exceeds \$100,000.

(c) When a charge of theft of property exceeding a specified value is brought, the value of the property involved is an element of the offense to be resolved by the trier of fact as either exceeding or not exceeding the specified value.

(Source: P.A. 96-496, eff. 1-1-10; 96-534, eff. 8-14-09; revised 10-9-09.)

(720 ILCS 5/16A-2.2) (from Ch. 38, par. 16A-2.2)

Sec. 16A-2.2. "Full retail value ~~Retail Value~~" means the merchant's stated or advertised price of the merchandise. "Full retail value" includes the aggregate value of property obtained from retail thefts committed by the same person as part of a continuing course of conduct from one or more mercantile establishments in a single transaction or in separate transactions over a period of one year.

(Source: P.A. 79-840.)

(720 ILCS 5/16A-2.14 new)

Sec. 16A-2.14. Continuing course of conduct. "Continuing course of conduct" means a series of acts, and the accompanying mental state necessary for the crime in question, irrespective of whether the series of acts are continuous or intermittent.

(720 ILCS 5/16A-10) (from Ch. 38, par. 16A-10)

Sec. 16A-10. Sentence.

(1) Retail theft of property, the full retail value of which does not exceed ~~\$300~~ ~~\$150~~, is a Class A misdemeanor. Theft by emergency exit of property, the full retail value of which does not exceed ~~\$300~~ ~~\$150~~, is a Class 4 felony.

(2) A person who has been convicted of retail theft of property, the full retail value of which does not exceed ~~\$300~~ ~~\$150~~, and who has been previously convicted of any type of theft, robbery, armed robbery, burglary, residential burglary, possession of burglary tools or home invasion is guilty of a Class 4 felony. A person who has been convicted of theft by emergency exit of property, the full retail value of which does not exceed ~~\$300~~ ~~\$150~~, and who has been previously convicted of any type of theft, robbery, armed robbery, burglary, residential burglary, possession of burglary tools or home invasion is guilty of a Class

3 felony. When a person has any such prior conviction, the information or indictment charging that person shall state such prior conviction so as to give notice of the State's intention to treat the charge of retail theft as a felony. The fact of such prior conviction is not an element of the offense and may not be disclosed to the jury during trial unless otherwise permitted by issues properly raised during such trial.

(3) Any retail theft of property, the full retail value of which exceeds \$300 in a single transaction, or in separate transactions committed by the same person as part of a continuing course of conduct from one or more mercantile establishments over a period of one year ~~\$150~~, is a Class 3 felony. Theft by emergency exit of property, the full retail value of which exceeds \$300 in a single transaction, or in separate transactions committed by the same person as part of a continuing course of conduct from one or more mercantile establishments over a period of one year ~~\$150~~, is a Class 2 felony. When a charge of retail theft of property or theft by emergency exit of property, the full value of which exceeds \$300 ~~\$150~~, is brought, the value of the property involved is an element of the offense to be resolved by the trier of fact as either exceeding or not exceeding \$300 ~~\$150~~.

(Source: P.A. 94-449, eff. 8-4-05.)

(720 ILCS 5/16A-11 new)

Sec. 16A-11. Venue. Multiple thefts committed by the same person as part of a continuing course of conduct in different jurisdictions that have been aggregated in one jurisdiction may be prosecuted in any jurisdiction in which one or more of the thefts occurred.

(720 ILCS 5/16H-60)

Sec. 16H-60. Sentence.

(a) A financial crime, the full value of which does not exceed \$500 ~~\$300~~, is a Class A misdemeanor.

(b) A person who has been convicted of a financial crime, the full value of which does not exceed \$500 ~~\$300~~, and who has been previously convicted of a financial crime or any type of theft, robbery, armed robbery, burglary, residential burglary, possession of burglary tools, or home invasion, is guilty of a Class 4 felony. When a person has such prior conviction, the information or indictment charging that person shall state such prior conviction so as to give notice of the State's intention to treat the charge as a felony. The fact of such prior conviction is not an element of the offense and may not be disclosed to the jury during trial unless otherwise permitted by issues properly raised during such trial.

(c) A financial crime, the full value of which exceeds \$500 ~~\$300~~ but does not exceed \$10,000, is a Class 3 felony. When a charge of financial crime, the full value of which exceeds \$500 ~~\$300~~ but does not exceed \$10,000, is brought, the value of the financial crime involved is an element of the offense to be resolved by the trier of fact as either exceeding or not exceeding \$500 ~~\$300~~.

(d) A financial crime, the full value of which exceeds \$10,000 but does not exceed \$100,000, is a Class 2 felony. When a charge of financial crime, the full value of which exceeds \$10,000 but does not exceed \$100,000, is brought, the value of the financial crime involved is an element of the offense to be resolved by the trier of fact as either exceeding or not exceeding \$10,000.

(e) A financial crime, the full value of which exceeds \$100,000, is a Class 1 felony. When a charge of financial crime, the full value of which exceeds \$100,000, is brought, the value of the financial crime involved is an element of the offense to be resolved by the trier of fact as either exceeding or not exceeding \$100,000.

(f) A financial crime which is a financial institution robbery is a Class 1 felony.

(g) A financial crime which is a continuing financial crimes enterprise is a Class 1 felony.

(h) A financial crime which is the offense of being an organizer of a continuing financial crimes enterprise is a Class X felony.

(i) (Blank).

(Source: P.A. 96-534, eff. 8-14-09.)

(720 ILCS 5/16J-25)

Sec. 16J-25. Sentence. A violation of this Article is a Class 4 felony if the full retail value of the stolen property or property obtained by deception does not exceed \$300 ~~\$150~~. A violation of this Article is a Class 2 felony if the full retail value of the stolen property or property obtained by deception exceeds \$300 ~~\$150~~.

(Source: P.A. 94-179, eff. 7-12-05; 95-331, eff. 8-21-07.)

Section 10. The Telephone Charge Fraud Act is amended by changing Section 1 as follows:

(720 ILCS 365/1) (from Ch. 134, par. 15c)

Sec. 1. Any individual, corporation, or other person, who, with intent to defraud or to aid and abet another to defraud any individual, corporation, or other person, of the lawful charge, in whole or in part, for any telecommunications service, shall obtain, or attempt to obtain, or aid and abet another to obtain or to attempt to obtain, any telecommunications service:

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(a) by charging such service to an existing telephone number or credit card number without the authority of the subscriber thereto or the legitimate holder thereof, or,

(b) charging such service to a nonexistent, false, fictitious, or counterfeit telephone number or credit card number or to a suspended, terminated, expired, cancelled, or revoked telephone number or credit card number, or,

(c) by use of a code, prearranged scheme, or other similar stratagem or device whereby said person, in effect, sends or receives information, or,

(d) by installing, rearranging, or tampering with any facilities or equipment, whether physically, inductively, acoustically, electronically, or,

(e) by publishing the number or code of an existing, canceled, revoked or nonexistent telephone number, credit number or other credit device or method of numbering or coding which is employed in the issuance of telephone numbers, credit numbers or other credit devices which may be used to avoid the payment of any lawful telephone toll charge, or,

(f) by publishing plans, diagrams or methods for the construction, assembly or usage of any device, instrument or gadget which may be used to avoid the payment of any lawful telephone toll charge, or,

(g) by any other trick, stratagem, impersonation, false pretense, false representation, false statement, contrivance, device, or means, shall be deemed guilty of a Class A Misdemeanor; provided, however, that (a) a second conviction of an offense under this Section, (b) commission of an offense for remuneration, or (c) an offense involving the defrauding of services in excess of \$500 ~~\$300~~ is a Class 4 felony.

As used in this Section "publish" means the communication or dissemination of information to any one or more persons, either orally, in person, or by telephone, radio or television or in writing of any kind, including, without limitation, a letter or memorandum, circular or handbill, newspaper or magazine article or book.

(Source: P.A. 88-75.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Cullerton, **Senate Bill No. 3800** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 3800

AMENDMENT NO. 1. Amend Senate Bill 3800 by replacing everything after the enacting clause with the following:

"Section 5. The Criminal Code of 1961 is amended by changing Section 32-8 as follows:

(720 ILCS 5/32-8) (from Ch. 38, par. 32-8)

Sec. 32-8. Tampering with public records.

(a) A person who knowingly and without lawful authority alters, destroys, defaces, removes or conceals any public record commits a Class 4 felony.

(b) "Public record" expressly includes, but is not limited to, court records pertaining to any civil or criminal proceeding in any court.

(c) Any judge, circuit clerk or clerk of court, public official or employee, court reporter, or other person who knowingly and without lawful authority alters, destroys, defaces, removes, or conceals any public record received or held by any judge or by a clerk of any court commits a Class 3 felony.

(d) Any person convicted under subsection (c):

(1) shall forfeit his or her public office or public employment, if any, and shall thereafter be ineligible for both State and local public office and public employment in this State for a period of 5 years after completion of any term of probation, conditional discharge, or mandatory supervised release;

(2) shall forfeit all retirement, pension, and other benefits arising out of public office or public employment in accordance with the applicable provisions of the Illinois Pension Code;

(3) shall be subject to termination of any professional licensure or registration in this State in accordance with the provisions of the applicable professional licensing or registration laws;

(4) may be ordered by the court, after a hearing in accordance with applicable law and in addition to

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any other penalty or fine imposed by the court, to forfeit to the State an amount equal to any financial gain or the value of any advantage realized by the person as a result of the offense; and

(5) may be ordered by the court, after a hearing in accordance with applicable law and in addition to any other penalty or fine imposed by the court, to pay restitution to the victim in an amount equal to any financial loss or the value of any advantage lost by the victim as a result of the offense.

For the purposes of this subsection (d), an offense under subsection (c) committed by a person holding public office or public employment shall be rebuttably presumed to relate to or arise out of or in connection with that public office or public employment.

(e) Any party having an interest in the protection and integrity of any court record, whether such party be a public official or a private individual, shall have the right to request and, if necessary, to demand that an investigation be opened into the alteration, destruction, defacement, removal, or concealment of any public record. Such request may be made to any law enforcement agency, including, but not limited to, local law enforcement and the State Police.

(f) When the local law enforcement agency having jurisdiction declines to investigate, or inadequately investigates, a violation of subsection (c), the State Police shall have the authority to investigate, and shall investigate, the same, without regard to whether such local law enforcement agency has requested the State Police to do so.

(g) When the State's Attorney having jurisdiction declines to prosecute a violation of subsection (c), the Attorney General shall have the authority to prosecute the same, without regard to whether such State's Attorney has requested the Attorney General to do so.

(h) Prosecution of a violation of subsection (c) shall be commenced within 3 years after the act constituting the violation is discovered or reasonably should have been discovered.

(Source: P.A. 77-2638)."

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Kotowski, **Senate Bill No. 3750** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 3750

AMENDMENT NO. 1. Amend Senate Bill 3750 on page 3, line 19, immediately after "container" by inserting "containing bisphenol-A".

Senate Floor Amendment No. 2 was referred to the Committee on Environment earlier today.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Wilhelmi, **Senate Bill No. 3775**, having been printed, was taken up, read by title a second time.

Senate Floor Amendment No. 1 was postponed in the Committee on Executive.

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

On motion of Senator Trotter, **Senate Bill No. 3064** having been printed, was taken up, read by title a second time.

Senator Trotter offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 3064

AMENDMENT NO. 1. Amend Senate Bill 3064 on page 2, by replacing lines 24 and 25 with "area of the association may not proceed, unless 33% of the members of the homeowners' association give their written approval".

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 3064

[March 24, 2010]

AMENDMENT NO. 2. Amend Senate Bill 3064, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The General Not For Profit Corporation Act of 1986 is amended by adding Section 103.35 as follows:

(805 ILCS 105/103.35 new)

Sec. 103.35. Homeowners' association; dredging.

(a) Except as provided in subsection (c), a homeowners' association organized under this Act may not, in its own capacity or through its members or any other entity, dredge any sediment or silt from a body of water located, in whole or part, within a common area of the association or redeposit any dredged materials on property within any area of the association, unless the association complies with all of the following:

(1) The association must conduct the physical, biological, chemical, and toxicological testing necessary to establish that neither the disturbance of sediments and silt by dredging nor the redepositing of dredged materials on property within any area of the association will threaten human health, safety, or the environment.

(2) The association must hold a meeting to vote on whether to proceed with dredging, redepositing dredged materials, or both. At least 30 days before the meeting, the association must serve on each of its members a written notice that identifies (i) the estimated quantity of sediment, silt, and waste water that will be generated by the dredging operation, (ii) the proposed plan to dispose of the dredged materials, (iii) the estimated costs of dredging and disposal, (iv) the areas that will be affected by dredging and redepositing dredged materials, (v) the statistically significant findings, if any, that are revealed by the testing required under item (1) of this subsection, (vi) the short-term and long-term health, safety, and environmental risks associated with dredging and redepositing dredged material on property within any area of the association, and (vii) the date, time, and place of the meeting.

(3) At the meeting, each member of the association who wishes to do so shall be given an opportunity to present testimony and other evidence about his or her concerns with the proposed action, including any concerns about the impact of that action on the value of property held by members of the association. Thereafter, each household of the association may vote by written ballot to determine whether to proceed with the proposed action. The dredging and redepositing of dredged materials within any common area of the association may not proceed, unless 33% of the members of the homeowners' association give their written approval to do so.

(4) The association must compensate its members for reasonable costs incurred as a result of property damage resulting from either dredging or redepositing dredged material within any area of the association.

(5) The association must ensure that dredged materials are not redeposited any closer than 150 feet from property owned by a member of the association.

(b) If the requirements of this Section are not met, any member of the association may obtain injunctive relief against the association and its officers.

(c) This Section applies to all dredging and redepositing of sediment and silt on and after the effective date, but this Section does not apply to a homeowners' association that has more than 400 members.

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 Amendments Numbered 1 and 2 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Trotter, **Senate Bill No. 3215** having been printed, was taken up, read by title a second time.

The following amendment was offered in the Committee on State Government and Veterans Affairs, adopted and ordered printed:

AMENDMENT NO. 1 TO SENATE BILL 3215

AMENDMENT NO. 1. Amend Senate Bill 3215 by replacing everything after the enacting clause with the following:

"Section 5. The Personnel Code is amended by changing Section 1 as follows:

[March 24, 2010]

(20 ILCS 415/1) (from Ch. 127, par. 63b101)

Sec. 1. Title. This Act shall be known ~~and~~ be cited as the "Personnel Code".
(Source: P.A. 81-1000)."

Senate Floor Amendment No. 2 was postponed in the Committee on State Government and Veterans Affairs.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Wilhelmi, **Senate Bill No. 1346** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 1346

AMENDMENT NO. 1. Amend Senate Bill 1346 by replacing everything after the enacting clause with the following:

"Section 1-1. Short title. This Act may be cited as the South Suburban Airport Authority Act."

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Wilhelmi, **Senate Bill No. 3474**, having been printed, was taken up, read by title a second time.

Senate Floor Amendment No. 1 was postponed in the Committee on Commerce.

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

On motion of Senator Meeks, **Senate Bill No. 2494** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 2494

AMENDMENT NO. 1. Amend Senate Bill 2494 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the School Choice Act.

Section 5. Findings and declaration of policy. The General Assembly finds and declares the following:

(1) There is a crisis in the elementary and secondary education programs in Chicago and elsewhere in Illinois. Many schools and their pupils are performing significantly below relevant national standards and are unable to access functions of federal and State law designed to improve their performance. Consequently, many pupils are dropping out of school before completing the ordinary course of secondary education or are leaving school without the basic skills and knowledge that will enable them to find and hold a job or otherwise become functioning, productive members of our society.

(2) Within Chicago and elsewhere in Illinois there are many public and nonpublic schools and independent education services competently and efficiently educating or contributing to the education of children. Most pupils in those schools or receiving those services perform at or above relevant national standards, complete their secondary education, and matriculate to institutions of higher education at an extremely high rate. These services and schools should be accessible to all and should enjoy a cooperative relationship with public school districts, schools, and employees of this State.

(3) Custodians of school age children in Chicago and elsewhere in Illinois are frequently unable to enroll their children in schools that will provide them a quality education due to a lack of funds.

(4) Adopting a pilot school choice program for students enrolled in the lowest performing schools in Chicago, with the potential to expand elsewhere in Illinois, would enable

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parents to select schools or services they believe will provide a quality education for their children, empower them to influence the educational policies and procedures in the schools their children attend, and provide them with at least a portion of the funds necessary to pay for a quality education. Such a program would help alleviate the crisis in the Chicago school system, assist Chicago children in becoming productive members of society, and test a new approach to education that could be expanded to the rest of the State.

(5) The provisions of this Act are in the public interest, for the public benefit, and serve a secular public purpose.

Section 10. Definitions. As used in this Act:

"Base year" means the 2010-2011 school year.

"Custodian" means, with respect to a qualifying pupil, a parent or legal guardian who is a resident of the City of Chicago.

"Low-performing school" means a school in City of Chicago School District 299 that is ranked within the lowest 10% of schools in that district in terms of the percentage of students meeting or exceeding standards on the Illinois Standards Achievement Test or on the Prairie State Achievement Examination.

"Nonpublic school" means any State-recognized, nonpublic elementary or secondary school in the City of Chicago that elects to participate in the school choice program established under this Act and does not discriminate on the basis of race, color, or national origin under Title VI of the Civil Rights Act of 1964 and attendance at which satisfies the requirements of Section 26-1 of the School Code, except that nothing in Section 26-1 shall be construed to require a child to attend any particular nonpublic school.

"Qualified education expenses" means costs reasonably incurred on behalf of a qualifying pupil for the services of a participating nonpublic school in which the qualifying pupil is enrolled during the regular school year. Qualified education expenses does not include costs incurred for supplies or extra-curricular activities.

"Qualifying pupil" means an individual who:

- (1) is a resident of the City of Chicago;
- (2) is enrolled in a low-performing school or would be enrolled in a low-performing school if not for enrollment in a nonpublic school; and
- (3) during the school year for which a voucher is sought, is a full-time pupil enrolled in a kindergarten through 12th grade education program.

"School Choice Voucher" means a written instrument issued by the State Board of Education directly to the custodian of a qualifying pupil. The instrument shall be for a sum certain, which must not exceed the foundation level of support amount specified in subsection (B) of Section 18-8.05 of the School Code, to be paid within a designated period of time. The custodian may present the instrument only to a participating nonpublic school as payment for qualified education expenses incurred on behalf of the qualifying pupil.

Section 15. Establishment of program. There is established the School Choice Program. Under the program, after the base year, a custodian of a qualifying pupil shall be entitled to a School Choice Voucher for payment of qualified education expenses incurred on behalf of the qualifying pupil at any participating nonpublic school in which the qualifying pupil is enrolled. A qualifying pupil shall be entitled to enroll at and attend any participating nonpublic school of his or her choice.

Section 20. Notification of vouchers. The principal of each low-performing school in City of Chicago School District 299 shall notify custodians of qualifying pupils that vouchers under this Act are available for the next school year. Notification shall occur in January of each school year beginning with the base year.

Section 25. Request for voucher. A custodian who applies in accordance with procedures established by the State Board of Education shall receive a voucher under this Act within the dollar limits set out in this Act. The procedure shall require application for the voucher, with documentation as to eligibility, between March 1 and May 1 prior to the school year in which the voucher is to be used.

Section 30. Issuance and payment of voucher. A voucher may only be issued to a custodian who has made proper application pursuant to Section 25 of this Act. The custodian shall present the voucher to a participating nonpublic school of his or her choice as payment for qualified education expenses. Upon presentment, the State Board of Education shall honor the voucher and, as issuer of the instrument, pay

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the participating nonpublic school in accordance with procedures established by the State Board of Education. The procedures shall require all of the following:

- (1) that the applying custodian be notified of the voucher award by August 1 of the school year in which the voucher is to be used;
- (2) that the voucher instrument be issued to the custodian no later than September 15 of the school year in which the voucher is to be used;
- (3) that the custodian present the voucher instrument to the participating school no later than October 1 of the school year in which the voucher is to be used;
- (4) that the participating school present the voucher instrument, with proof of service to the custodian of the qualifying pupil, to the State Board of Education no later than October 31 of the school year in which the voucher is to be used;
- (5) that the State Board of Education shall honor the voucher instrument and as issuer pay the participating school no later than December 31 of the school year in which the voucher is to be used; and
- (6) that participating schools must not be required to accept vouchers as full payment for services but neither shall they charge voucher pupils tuition or any other educational expenses at a higher rate than other pupils.

Section 35. Amount of voucher. A School Choice Voucher for qualified education expenses incurred through participating schools during any school year after the base year shall be for the lesser of (i) the foundation level of support amount specified in subsection (B) of Section 18-8.05 of the School Code or (ii) the actual qualified education expenses related to the qualifying pupil's enrollment.

Section 40. Renewal of voucher. School Choice Vouchers shall be renewable every year through grade 12 so long as the qualifying pupil and custodian continue to remain eligible pursuant to Section 10 of this Act.

Section 45. Assessment. All pupils receiving services obtained through School Choice Vouchers shall be assessed annually in the same manner as Illinois' public school students. Participating schools shall be responsible for administering the assessments and reporting the results to the State Board of Education.

Section 50. Funding. If the amount needed to fund vouchers for all qualifying pupils seeking to participate under this Act exceeds the appropriation for the program in any year, the State Board of Education shall determine an equitable way to allocate the appropriated funding among the qualifying pupils consistent with the stated purpose and policy of this Act, which may include the consideration of household income of the pupils.

Section 55. Not base income. The amount of any voucher redeemed under this Act shall not be considered base income under subsection (a) of Section 203 of the Illinois Income Tax Act and shall not be taxable for Illinois income tax purposes.

Section 60. Report and expansion. On or before December 31, 2014, the State Board of Education shall submit a report to the General Assembly reviewing the current status of the program operating under this Act. This report shall include, but not be limited to, the numbers of qualifying pupils receiving each School Choice Voucher, the names of the schools from which and to which pupils transferred, the financial ramifications of the program, and the results of pupil assessments. In its report, the State Board of Education shall assess whether the program has been financially and academically beneficial and shall make a recommendation on whether the program should be expanded to other schools in the City of Chicago or to other areas of this State.

Section 65. Penalties. It shall be a Class 3 felony to use or attempt to use a voucher under this Act for any purpose other than those permitted by this Act. It shall also be a Class 3 felony for any person, with intent to defraud, to knowingly forge, alter, or misrepresent information on a voucher application or on any documents submitted in application for a voucher, to deliver any such document knowing it to have been thus forged, altered, or based on misrepresentation, or to possess, with intent to issue or deliver, any such document knowing it to have been thus forged, altered, or based on misrepresentation.

Section 70. Rules. The State Board of Education shall adopt rules to implement this Act. The creation of the School Choice Program does not expand the regulatory authority of the State, its officers, or any

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school district to impose any additional regulation of nonpublic schools beyond those reasonably necessary to enforce the requirements of the program.

Section 900. The Illinois Income Tax Act is amended by changing Section 203 as follows:
(35 ILCS 5/203) (from Ch. 120, par. 2-203)

Sec. 203. Base income defined.

(a) Individuals.

(1) In general. In the case of an individual, base income means an amount equal to the taxpayer's adjusted gross income for the taxable year as modified by paragraph (2).

(2) Modifications. The adjusted gross income referred to in paragraph (1) shall be modified by adding thereto the sum of the following amounts:

(A) An amount equal to all amounts paid or accrued to the taxpayer as interest or dividends during the taxable year to the extent excluded from gross income in the computation of adjusted gross income, except stock dividends of qualified public utilities described in Section 305(e) of the Internal Revenue Code;

(B) An amount equal to the amount of tax imposed by this Act to the extent deducted from gross income in the computation of adjusted gross income for the taxable year;

(C) An amount equal to the amount received during the taxable year as a recovery or refund of real property taxes paid with respect to the taxpayer's principal residence under the Revenue Act of 1939 and for which a deduction was previously taken under subparagraph (L) of this paragraph (2) prior to July 1, 1991, the retrospective application date of Article 4 of Public Act 87-17. In the case of multi-unit or multi-use structures and farm dwellings, the taxes on the taxpayer's principal residence shall be that portion of the total taxes for the entire property which is attributable to such principal residence;

(D) An amount equal to the amount of the capital gain deduction allowable under the Internal Revenue Code, to the extent deducted from gross income in the computation of adjusted gross income;

(D-5) An amount, to the extent not included in adjusted gross income, equal to the amount of money withdrawn by the taxpayer in the taxable year from a medical care savings account and the interest earned on the account in the taxable year of a withdrawal pursuant to subsection (b) of Section 20 of the Medical Care Savings Account Act or subsection (b) of Section 20 of the Medical Care Savings Account Act of 2000;

(D-10) For taxable years ending after December 31, 1997, an amount equal to any eligible remediation costs that the individual deducted in computing adjusted gross income and for which the individual claims a credit under subsection (l) of Section 201;

(D-15) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code;

(D-16) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-15), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (Z) with respect to that property.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was allowed in any taxable year to make a subtraction modification under subparagraph (Z), then an amount equal to that subtraction modification.

The taxpayer is required to make the addition modification under this subparagraph only once with respect to any one piece of property;

(D-17) An amount equal to the amount otherwise allowed as a deduction in computing base income for interest paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact that foreign person's business activity outside the United States is 80% or more of the foreign person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary

business group (including amounts included in gross income under Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the interest was paid, accrued, or incurred.

This paragraph shall not apply to the following:

(i) an item of interest paid, accrued, or incurred, directly or indirectly, to a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such interest; or

(ii) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person, during the same taxable year, paid, accrued, or incurred, the interest to a person that is not a related member, and

(b) the transaction giving rise to the interest expense between the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects an arm's-length interest rate and terms; or

(iii) the taxpayer can establish, based on clear and convincing evidence, that the interest paid, accrued, or incurred relates to a contract or agreement entered into at arm's-length rates and terms and the principal purpose for the payment is not federal or Illinois tax avoidance; or

(iv) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer establishes by clear and convincing evidence that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f).

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(D-18) An amount equal to the amount of intangible expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income under Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the intangible expenses and costs were directly or indirectly paid, incurred, or accrued. The preceding sentence does not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(a)(2)(D-17) of this Act. As used in this subparagraph, the term "intangible expenses and costs" includes (1) expenses, losses, and costs for, or related to, the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, or any other disposition of intangible property; (2) losses incurred, directly or indirectly, from factoring transactions or discounting transactions; (3) royalty, patent, technical, and copyright fees; (4) licensing fees; and (5) other similar expenses and costs. For purposes of this subparagraph, "intangible property" includes patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This paragraph shall not apply to the following:

(i) any item of intangible expenses or costs paid, accrued, or incurred, directly or indirectly, from a transaction with a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such item; or

(ii) any item of intangible expense or cost paid, accrued, or incurred, directly or indirectly, if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person during the same taxable year paid, accrued, or incurred, the intangible expense or cost to a person that is not a related member, and

(b) the transaction giving rise to the intangible expense or cost between

the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects arm's-length terms; or

(iii) any item of intangible expense or cost paid, accrued, or incurred,

directly or indirectly, from a transaction with a person if the taxpayer establishes by clear and convincing evidence, that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f);

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(D-19) For taxable years ending on or after December 31, 2008, an amount equal to the amount of insurance premium expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income under Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the premiums and costs were directly or indirectly paid, incurred, or accrued. The preceding sentence does not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(a)(2)(D-17) or Section 203(a)(2)(D-18) of this Act.

(D-20) For taxable years beginning on or after January 1, 2002 and ending on or before December 31, 2006, in the case of a distribution from a qualified tuition program under Section 529 of the Internal Revenue Code, other than (i) a distribution from a College Savings Pool created under Section 16.5 of the State Treasurer Act or (ii) a distribution from the Illinois Prepaid Tuition Trust Fund, an amount equal to the amount excluded from gross income under Section 529(c)(3)(B). For taxable years beginning on or after January 1, 2007, in the case of a distribution from a qualified tuition program under Section 529 of the Internal Revenue Code, other than (i) a distribution from a College Savings Pool created under Section 16.5 of the State Treasurer Act, (ii) a distribution from the Illinois Prepaid Tuition Trust Fund, or (iii) a distribution from a qualified tuition program under Section 529 of the Internal Revenue Code that (I) adopts and determines that its offering materials comply with the College Savings Plans Network's disclosure principles and (II) has made reasonable efforts to inform in-state residents of the existence of in-state qualified tuition programs by informing Illinois residents directly and, where applicable, to inform financial intermediaries distributing the program to inform in-state residents of the existence of in-state qualified tuition programs at least annually, an amount equal to the amount excluded from gross income under Section 529(c)(3)(B).

For the purposes of this subparagraph (D-20), a qualified tuition program has made reasonable efforts if it makes disclosures (which may use the term "in-state program" or "in-state plan" and need not specifically refer to Illinois or its qualified programs by name) (i) directly to prospective participants in its offering materials or makes a public disclosure, such as a website posting; and (ii) where applicable, to intermediaries selling the out-of-state program in the same manner that the out-of-state program distributes its offering materials;

(D-21) For taxable years beginning on or after January 1, 2007, in the case of transfer of moneys from a qualified tuition program under Section 529 of the Internal Revenue Code that is administered by the State to an out-of-state program, an amount equal to the amount of moneys previously deducted from base income under subsection (a)(2)(Y) of this Section;

(D-22) For taxable years beginning on or after January 1, 2009, in the case of a nonqualified withdrawal or refund of moneys from a qualified tuition program under Section 529 of the Internal Revenue Code administered by the State that is not used for qualified expenses at an eligible education institution, an amount equal to the contribution component of the nonqualified withdrawal or refund that was previously deducted from base income under subsection (a)(2)(y) of this Section, provided that the withdrawal or refund did not result from the beneficiary's death or disability;

(D-23) An amount equal to the credit allowable to the taxpayer under Section 218(a) of this Act, determined without regard to Section 218(c) of this Act; and by deducting from the total so obtained the sum of the following amounts:

(E) For taxable years ending before December 31, 2001, any amount included in such total in respect of any compensation (including but not limited to any compensation paid or accrued to a serviceman while a prisoner of war or missing in action) paid to a resident by reason of being on active duty in the Armed Forces of the United States and in respect of any compensation paid or accrued to a resident who as a governmental employee was a prisoner of war or missing in action, and in respect of any compensation paid to a resident in 1971 or thereafter for annual training performed pursuant to Sections 502 and 503, Title 32, United States Code as a member of the Illinois National Guard or, beginning with taxable years ending on or after December 31, 2007, the National Guard of any other state. For taxable years ending on or after December 31, 2001, any amount included in such total in respect of any compensation (including but not limited to any compensation paid or accrued to a serviceman while a prisoner of war or missing in action) paid to a resident by reason of being a member of any component of the Armed Forces of the United States and in respect of any compensation paid or accrued to a resident who as a governmental employee was a prisoner of war or missing in action, and in respect of any compensation paid to a resident in 2001 or thereafter by reason of being a member of the Illinois National Guard or, beginning with taxable years ending on or after December 31, 2007, the National Guard of any other state. The provisions of this amendatory Act of the 92nd General Assembly are exempt from the provisions of Section 250;

(F) An amount equal to all amounts included in such total pursuant to the provisions of Sections 402(a), 402(c), 403(a), 403(b), 406(a), 407(a), and 408 of the Internal Revenue Code, or included in such total as distributions under the provisions of any retirement or disability plan for employees of any governmental agency or unit, or retirement payments to retired partners, which payments are excluded in computing net earnings from self employment by Section 1402 of the Internal Revenue Code and regulations adopted pursuant thereto;

(G) The valuation limitation amount;

(H) An amount equal to the amount of any tax imposed by this Act which was refunded to the taxpayer and included in such total for the taxable year;

(I) An amount equal to all amounts included in such total pursuant to the provisions of Section 111 of the Internal Revenue Code as a recovery of items previously deducted from adjusted gross income in the computation of taxable income;

(J) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act or a River Edge Redevelopment Zone or zones created under the River Edge Redevelopment Zone Act, and conducts substantially all of its operations in an Enterprise Zone or zones or a River Edge Redevelopment Zone or zones. This subparagraph (J) is exempt from the provisions of Section 250;

(K) An amount equal to those dividends included in such total that were paid by a corporation that conducts business operations in a federally designated Foreign Trade Zone or Sub-Zone and that is designated a High Impact Business located in Illinois; provided that dividends eligible for the deduction provided in subparagraph (J) of paragraph (2) of this subsection shall not be eligible for the deduction provided under this subparagraph (K);

(L) For taxable years ending after December 31, 1983, an amount equal to all social security benefits and railroad retirement benefits included in such total pursuant to Sections 72(r) and 86 of the Internal Revenue Code;

(M) With the exception of any amounts subtracted under subparagraph (N), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a) (2), and 265(2) of the Internal Revenue Code of 1954, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(1) of the Internal Revenue Code of 1954, as now or hereafter amended; and (ii) for taxable years ending on or after August 13, 1999,

Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;

(N) An amount equal to all amounts included in such total which are exempt from taxation by this State either by reason of its statutes or Constitution or by reason of the Constitution, treaties or statutes of the United States; provided that, in the case of any statute of this State that exempts income derived from bonds or other obligations from the tax imposed under this Act, the amount exempted shall be the interest net of bond premium amortization;

(O) An amount equal to any contribution made to a job training project established pursuant to the Tax Increment Allocation Redevelopment Act;

(P) An amount equal to the amount of the deduction used to compute the federal income tax credit for restoration of substantial amounts held under claim of right for the taxable year pursuant to Section 1341 of the Internal Revenue Code of 1986;

(Q) An amount equal to any amounts included in such total, received by the taxpayer as an acceleration in the payment of life, endowment or annuity benefits in advance of the time they would otherwise be payable as an indemnity for a terminal illness;

(R) An amount equal to the amount of any federal or State bonus paid to veterans of the Persian Gulf War;

(S) An amount, to the extent included in adjusted gross income, equal to the amount of a contribution made in the taxable year on behalf of the taxpayer to a medical care savings account established under the Medical Care Savings Account Act or the Medical Care Savings Account Act of 2000 to the extent the contribution is accepted by the account administrator as provided in that Act;

(T) An amount, to the extent included in adjusted gross income, equal to the amount of interest earned in the taxable year on a medical care savings account established under the Medical Care Savings Account Act or the Medical Care Savings Account Act of 2000 on behalf of the taxpayer, other than interest added pursuant to item (D-5) of this paragraph (2);

(U) For one taxable year beginning on or after January 1, 1994, an amount equal to the total amount of tax imposed and paid under subsections (a) and (b) of Section 201 of this Act on grant amounts received by the taxpayer under the Nursing Home Grant Assistance Act during the taxpayer's taxable years 1992 and 1993;

(V) Beginning with tax years ending on or after December 31, 1995 and ending with tax years ending on or before December 31, 2004, an amount equal to the amount paid by a taxpayer who is a self-employed taxpayer, a partner of a partnership, or a shareholder in a Subchapter S corporation for health insurance or long-term care insurance for that taxpayer or that taxpayer's spouse or dependents, to the extent that the amount paid for that health insurance or long-term care insurance may be deducted under Section 213 of the Internal Revenue Code of 1986, has not been deducted on the federal income tax return of the taxpayer, and does not exceed the taxable income attributable to that taxpayer's income, self-employment income, or Subchapter S corporation income; except that no deduction shall be allowed under this item (V) if the taxpayer is eligible to participate in any health insurance or long-term care insurance plan of an employer of the taxpayer or the taxpayer's spouse. The amount of the health insurance and long-term care insurance subtracted under this item (V) shall be determined by multiplying total health insurance and long-term care insurance premiums paid by the taxpayer times a number that represents the fractional percentage of eligible medical expenses under Section 213 of the Internal Revenue Code of 1986 not actually deducted on the taxpayer's federal income tax return;

(W) For taxable years beginning on or after January 1, 1998, all amounts included in the taxpayer's federal gross income in the taxable year from amounts converted from a regular IRA to a Roth IRA. This paragraph is exempt from the provisions of Section 250;

(X) For taxable year 1999 and thereafter, an amount equal to the amount of any (i) distributions, to the extent includible in gross income for federal income tax purposes, made to the taxpayer because of his or her status as a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime or as an heir of the victim and (ii) items of income, to the extent includible in gross income for federal income tax purposes, attributable to, derived from or in any way related to assets stolen from, hidden from, or otherwise lost to a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime immediately prior to, during, and immediately after World War II, including, but not limited to, interest on the proceeds receivable as insurance under policies issued to a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime by European insurance companies immediately prior to and during World War II; provided, however, this subtraction from federal adjusted gross

income does not apply to assets acquired with such assets or with the proceeds from the sale of such assets; provided, further, this paragraph shall only apply to a taxpayer who was the first recipient of such assets after their recovery and who is a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime or as an heir of the victim. The amount of and the eligibility for any public assistance, benefit, or similar entitlement is not affected by the inclusion of items (i) and (ii) of this paragraph in gross income for federal income tax purposes. This paragraph is exempt from the provisions of Section 250;

(Y) For taxable years beginning on or after January 1, 2002 and ending on or before December 31, 2004, moneys contributed in the taxable year to a College Savings Pool account under Section 16.5 of the State Treasurer Act, except that amounts excluded from gross income under Section 529(c)(3)(C)(i) of the Internal Revenue Code shall not be considered moneys contributed under this subparagraph (Y). For taxable years beginning on or after January 1, 2005, a maximum of \$10,000 contributed in the taxable year to (i) a College Savings Pool account under Section 16.5 of the State Treasurer Act or (ii) the Illinois Prepaid Tuition Trust Fund, except that amounts excluded from gross income under Section 529(c)(3)(C)(i) of the Internal Revenue Code shall not be considered moneys contributed under this subparagraph (Y). For purposes of this subparagraph, contributions made by an employer on behalf of an employee, or matching contributions made by an employee, shall be treated as made by the employee. This subparagraph (Y) is exempt from the provisions of Section 250;

(Z) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction;

(2) for taxable years ending on or before December 31, 2005, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(3) for taxable years ending after December 31, 2005:

(i) for property on which a bonus depreciation deduction of 30% of the adjusted basis was taken, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(ii) for property on which a bonus depreciation deduction of 50% of the adjusted basis was taken, "x" equals "y" multiplied by 1.0.

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code. This subparagraph (Z) is exempt from the provisions of Section 250;

(AA) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-15), then an amount equal to that addition modification.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-15), then an amount equal to that addition modification.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

This subparagraph (AA) is exempt from the provisions of Section 250;

(BB) Any amount included in adjusted gross income, other than salary, received by a driver in a ridesharing arrangement using a motor vehicle;

(CC) The amount of (i) any interest income (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-17), 203(b)(2)(E-12), 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed the amount of that addition modification, and (ii) any income from intangible property (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or 203(d)(2)(D-8), but not to exceed the amount of that addition

modification. This subparagraph (CC) is exempt from the provisions of Section 250;

(DD) An amount equal to the interest income taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(a)(2)(D-17) for interest paid, accrued, or incurred, directly or indirectly, to the same person. This subparagraph (DD) is exempt from the provisions of Section 250; and

(EE) An amount equal to the income from intangible property taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(a)(2)(D-18) for intangible expenses and costs paid, accrued, or incurred, directly or indirectly, to the same foreign person. This subparagraph (EE) is exempt from the provisions of Section 250.

(FF) For taxable years ending on or after December 31, 2010, an amount, to the extent that it is included in adjusted gross income, equal to any voucher redeemed under the School Choice Act. This subparagraph is exempt from the provisions of Section 250.

(b) Corporations.

(1) In general. In the case of a corporation, base income means an amount equal to the taxpayer's taxable income for the taxable year as modified by paragraph (2).

(2) Modifications. The taxable income referred to in paragraph (1) shall be modified by adding thereto the sum of the following amounts:

(A) An amount equal to all amounts paid or accrued to the taxpayer as interest and all distributions received from regulated investment companies during the taxable year to the extent excluded from gross income in the computation of taxable income;

(B) An amount equal to the amount of tax imposed by this Act to the extent deducted from gross income in the computation of taxable income for the taxable year;

(C) In the case of a regulated investment company, an amount equal to the excess of (i) the net long-term capital gain for the taxable year, over (ii) the amount of the capital gain dividends designated as such in accordance with Section 852(b)(3)(C) of the Internal Revenue Code and any amount designated under Section 852(b)(3)(D) of the Internal Revenue Code, attributable to the taxable year (this amendatory Act of 1995 (Public Act 89-89) is declarative of existing law and is not a new enactment);

(D) The amount of any net operating loss deduction taken in arriving at taxable income, other than a net operating loss carried forward from a taxable year ending prior to December 31, 1986;

(E) For taxable years in which a net operating loss carryback or carryforward from a taxable year ending prior to December 31, 1986 is an element of taxable income under paragraph (1) of subsection (e) or subparagraph (E) of paragraph (2) of subsection (e), the amount by which addition modifications other than those provided by this subparagraph (E) exceeded subtraction modifications in such earlier taxable year, with the following limitations applied in the order that they are listed:

(i) the addition modification relating to the net operating loss carried back or forward to the taxable year from any taxable year ending prior to December 31, 1986 shall be reduced by the amount of addition modification under this subparagraph (E) which related to that net operating loss and which was taken into account in calculating the base income of an earlier taxable year, and

(ii) the addition modification relating to the net operating loss carried back or forward to the taxable year from any taxable year ending prior to December 31, 1986 shall not

exceed the amount of such carryback or carryforward;

For taxable years in which there is a net operating loss carryback or carryforward from more than one other taxable year ending prior to December 31, 1986, the addition modification provided in this subparagraph (E) shall be the sum of the amounts computed independently under the preceding provisions of this subparagraph (E) for each such taxable year;

(E-5) For taxable years ending after December 31, 1997, an amount equal to any eligible remediation costs that the corporation deducted in computing adjusted gross income and for which the corporation claims a credit under subsection (I) of Section 201;

(E-10) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code;

(E-11) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (E-10), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (T) with respect to that property.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was allowed in any taxable year to make a subtraction modification under subparagraph (T), then an amount equal to that subtraction modification.

The taxpayer is required to make the addition modification under this subparagraph only once with respect to any one piece of property;

(E-12) An amount equal to the amount otherwise allowed as a deduction in computing base income for interest paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact the foreign person's business activity outside the United States is 80% or more of the foreign person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income pursuant to Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the interest was paid, accrued, or incurred.

This paragraph shall not apply to the following:

(i) an item of interest paid, accrued, or incurred, directly or indirectly, to a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such interest; or

(ii) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person, during the same taxable year, paid, accrued, or incurred, the interest to a person that is not a related member, and

(b) the transaction giving rise to the interest expense between the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects an arm's-length interest rate and terms; or

(iii) the taxpayer can establish, based on clear and convincing evidence, that the interest paid, accrued, or incurred relates to a contract or agreement entered into at arm's-length rates and terms and the principal purpose for the payment is not federal or Illinois tax avoidance; or

(iv) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer establishes by clear and convincing evidence that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f).

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation

adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(E-13) An amount equal to the amount of intangible expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income pursuant to Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the intangible expenses and costs were directly or indirectly paid, incurred, or accrued. The preceding sentence shall not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(b)(2)(E-12) of this Act. As used in this subparagraph, the term "intangible expenses and costs" includes (1) expenses, losses, and costs for, or related to, the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, or any other disposition of intangible property; (2) losses incurred, directly or indirectly, from factoring transactions or discounting transactions; (3) royalty, patent, technical, and copyright fees; (4) licensing fees; and (5) other similar expenses and costs. For purposes of this subparagraph, "intangible property" includes patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This paragraph shall not apply to the following:

(i) any item of intangible expenses or costs paid, accrued, or incurred, directly or indirectly, from a transaction with a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such item; or

(ii) any item of intangible expense or cost paid, accrued, or incurred, directly or indirectly, if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person during the same taxable year paid, accrued, or incurred, the intangible expense or cost to a person that is not a related member, and

(b) the transaction giving rise to the intangible expense or cost between the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects arm's-length terms; or

(iii) any item of intangible expense or cost paid, accrued, or incurred, directly or indirectly, from a transaction with a person if the taxpayer establishes by clear and convincing evidence, that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f);

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(E-14) For taxable years ending on or after December 31, 2008, an amount equal to the amount of insurance premium expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts

included in gross income under Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the premiums and costs were directly or indirectly paid, incurred, or accrued. The preceding sentence does not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(b)(2)(E-12) or Section 203(b)(2)(E-13) of this Act;

(E-15) For taxable years beginning after December 31, 2008, any deduction for dividends paid by a captive real estate investment trust that is allowed to a real estate investment trust under Section 857(b)(2)(B) of the Internal Revenue Code for dividends paid;

(E-16) An amount equal to the credit allowable to the taxpayer under Section 218(a) of this Act, determined without regard to Section 218(c) of this Act;

and by deducting from the total so obtained the sum of the following amounts:

(F) An amount equal to the amount of any tax imposed by this Act which was refunded to the taxpayer and included in such total for the taxable year;

(G) An amount equal to any amount included in such total under Section 78 of the Internal Revenue Code;

(H) In the case of a regulated investment company, an amount equal to the amount of exempt interest dividends as defined in subsection (b) (5) of Section 852 of the Internal Revenue Code, paid to shareholders for the taxable year;

(I) With the exception of any amounts subtracted under subparagraph (J), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a) (2), and 265(a)(2) and amounts disallowed as interest expense by Section 291(a)(3) of the Internal Revenue Code, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(a)(1) of the Internal Revenue Code, as now or hereafter amended; and (ii) for taxable years ending on or after August 13, 1999, Sections 171(a)(2), 265, 280C, 291(a)(3), and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;

(J) An amount equal to all amounts included in such total which are exempt from taxation by this State either by reason of its statutes or Constitution or by reason of the Constitution, treaties or statutes of the United States; provided that, in the case of any statute of this State that exempts income derived from bonds or other obligations from the tax imposed under this Act, the amount exempted shall be the interest net of bond premium amortization;

(K) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act or a River Edge Redevelopment Zone or zones created under the River Edge Redevelopment Zone Act and conducts substantially all of its operations in an Enterprise Zone or zones or a River Edge Redevelopment Zone or zones. This subparagraph (K) is exempt from the provisions of Section 250;

(L) An amount equal to those dividends included in such total that were paid by a corporation that conducts business operations in a federally designated Foreign Trade Zone or Sub-Zone and that is designated a High Impact Business located in Illinois; provided that dividends eligible for the deduction provided in subparagraph (K) of paragraph 2 of this subsection shall not be eligible for the deduction provided under this subparagraph (L);

(M) For any taxpayer that is a financial organization within the meaning of Section 304(c) of this Act, an amount included in such total as interest income from a loan or loans made by such taxpayer to a borrower, to the extent that such a loan is secured by property which is eligible for the Enterprise Zone Investment Credit or the River Edge Redevelopment Zone Investment Credit. To determine the portion of a loan or loans that is secured by property eligible for a Section 201(f) investment credit to the borrower, the entire principal amount of the loan or loans between the taxpayer and the borrower should be divided into the basis of the Section 201(f) investment credit property which secures the loan or loans, using for this purpose the original basis of such property on the date that it was placed in service in the Enterprise Zone or the River Edge Redevelopment Zone. The subtraction modification available to taxpayer in any year under this subsection shall be that portion of the total interest paid by the borrower with respect to such loan attributable to the eligible property as calculated under the previous sentence. This subparagraph (M) is exempt from the provisions of Section 250;

(M-1) For any taxpayer that is a financial organization within the meaning of Section 304(c) of this Act, an amount included in such total as interest income from a loan or loans made by such taxpayer to a borrower, to the extent that such a loan is secured by property which is

eligible for the High Impact Business Investment Credit. To determine the portion of a loan or loans that is secured by property eligible for a Section 201(h) investment credit to the borrower, the entire principal amount of the loan or loans between the taxpayer and the borrower should be divided into the basis of the Section 201(h) investment credit property which secures the loan or loans, using for this purpose the original basis of such property on the date that it was placed in service in a federally designated Foreign Trade Zone or Sub-Zone located in Illinois. No taxpayer that is eligible for the deduction provided in subparagraph (M) of paragraph (2) of this subsection shall be eligible for the deduction provided under this subparagraph (M-1). The subtraction modification available to taxpayers in any year under this subsection shall be that portion of the total interest paid by the borrower with respect to such loan attributable to the eligible property as calculated under the previous sentence;

(N) Two times any contribution made during the taxable year to a designated zone organization to the extent that the contribution (i) qualifies as a charitable contribution under subsection (c) of Section 170 of the Internal Revenue Code and (ii) must, by its terms, be used for a project approved by the Department of Commerce and Economic Opportunity under Section 11 of the Illinois Enterprise Zone Act or under Section 10-10 of the River Edge Redevelopment Zone Act. This subparagraph (N) is exempt from the provisions of Section 250;

(O) An amount equal to: (i) 85% for taxable years ending on or before December 31, 1992, or, a percentage equal to the percentage allowable under Section 243(a)(1) of the Internal Revenue Code of 1986 for taxable years ending after December 31, 1992, of the amount by which dividends included in taxable income and received from a corporation that is not created or organized under the laws of the United States or any state or political subdivision thereof, including, for taxable years ending on or after December 31, 1988, dividends received or deemed received or paid or deemed paid under Sections 951 through 964 of the Internal Revenue Code, exceed the amount of the modification provided under subparagraph (G) of paragraph (2) of this subsection (b) which is related to such dividends, and including, for taxable years ending on or after December 31, 2008, dividends received from a captive real estate investment trust; plus (ii) 100% of the amount by which dividends, included in taxable income and received, including, for taxable years ending on or after December 31, 1988, dividends received or deemed received or paid or deemed paid under Sections 951 through 964 of the Internal Revenue Code and including, for taxable years ending on or after December 31, 2008, dividends received from a captive real estate investment trust, from any such corporation specified in clause (i) that would but for the provisions of Section 1504 (b) (3) of the Internal Revenue Code be treated as a member of the affiliated group which includes the dividend recipient, exceed the amount of the modification provided under subparagraph (G) of paragraph (2) of this subsection (b) which is related to such dividends. This subparagraph (O) is exempt from the provisions of Section 250 of this Act;

(P) An amount equal to any contribution made to a job training project established pursuant to the Tax Increment Allocation Redevelopment Act;

(Q) An amount equal to the amount of the deduction used to compute the federal income tax credit for restoration of substantial amounts held under claim of right for the taxable year pursuant to Section 1341 of the Internal Revenue Code of 1986;

(R) On and after July 20, 1999, in the case of an attorney-in-fact with respect to whom an interinsurer or a reciprocal insurer has made the election under Section 835 of the Internal Revenue Code, 26 U.S.C. 835, an amount equal to the excess, if any, of the amounts paid or incurred by that interinsurer or reciprocal insurer in the taxable year to the attorney-in-fact over the deduction allowed to that interinsurer or reciprocal insurer with respect to the attorney-in-fact under Section 835(b) of the Internal Revenue Code for the taxable year; the provisions of this subparagraph are exempt from the provisions of Section 250;

(S) For taxable years ending on or after December 31, 1997, in the case of a Subchapter S corporation, an amount equal to all amounts of income allocable to a shareholder subject to the Personal Property Tax Replacement Income Tax imposed by subsections (c) and (d) of Section 201 of this Act, including amounts allocable to organizations exempt from federal income tax by reason of Section 501(a) of the Internal Revenue Code. This subparagraph (S) is exempt from the provisions of Section 250;

(T) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable

year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction;

(2) for taxable years ending on or before December 31, 2005, "x" equals "y"

multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(3) for taxable years ending after December 31, 2005:

(i) for property on which a bonus depreciation deduction of 30% of the adjusted basis was taken, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(ii) for property on which a bonus depreciation deduction of 50% of the adjusted basis was taken, "x" equals "y" multiplied by 1.0.

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code. This subparagraph (T) is exempt from the provisions of Section 250;

(U) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (E-10), then an amount equal to that addition modification.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (E-10), then an amount equal to that addition modification.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

This subparagraph (U) is exempt from the provisions of Section 250;

(V) The amount of: (i) any interest income (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-17), 203(b)(2)(E-12), 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed the amount of such addition modification, (ii) any income from intangible property (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or 203(d)(2)(D-8), but not to exceed the amount of such addition modification, and (iii) any insurance premium income (net of deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-19), Section 203(b)(2)(E-14), Section 203(c)(2)(G-14), or Section 203(d)(2)(D-9), but not to exceed the amount of that addition modification. This subparagraph (V) is exempt from the provisions of Section 250;

(W) An amount equal to the interest income taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(b)(2)(E-12) for interest paid, accrued, or incurred, directly or indirectly, to the same person. This subparagraph (W) is exempt from the provisions of Section 250; and

(X) An amount equal to the income from intangible property taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section

203(b)(2)(E-13) for intangible expenses and costs paid, accrued, or incurred, directly or indirectly, to the same foreign person. This subparagraph (X) is exempt from the provisions of Section 250.

(3) Special rule. For purposes of paragraph (2) (A), "gross income" in the case of a life insurance company, for tax years ending on and after December 31, 1994, shall mean the gross investment income for the taxable year.

(c) Trusts and estates.

(1) In general. In the case of a trust or estate, base income means an amount equal to the taxpayer's taxable income for the taxable year as modified by paragraph (2).

(2) Modifications. Subject to the provisions of paragraph (3), the taxable income referred to in paragraph (1) shall be modified by adding thereto the sum of the following amounts:

(A) An amount equal to all amounts paid or accrued to the taxpayer as interest or dividends during the taxable year to the extent excluded from gross income in the computation of taxable income;

(B) In the case of (i) an estate, \$600; (ii) a trust which, under its governing instrument, is required to distribute all of its income currently, \$300; and (iii) any other trust, \$100, but in each such case, only to the extent such amount was deducted in the computation of taxable income;

(C) An amount equal to the amount of tax imposed by this Act to the extent deducted from gross income in the computation of taxable income for the taxable year;

(D) The amount of any net operating loss deduction taken in arriving at taxable income, other than a net operating loss carried forward from a taxable year ending prior to December 31, 1986;

(E) For taxable years in which a net operating loss carryback or carryforward from a taxable year ending prior to December 31, 1986 is an element of taxable income under paragraph (1) of subsection (e) or subparagraph (E) of paragraph (2) of subsection (e), the amount by which addition modifications other than those provided by this subparagraph (E) exceeded subtraction modifications in such taxable year, with the following limitations applied in the order that they are listed:

(i) the addition modification relating to the net operating loss carried back or forward to the taxable year from any taxable year ending prior to December 31, 1986 shall be reduced by the amount of addition modification under this subparagraph (E) which related to that net operating loss and which was taken into account in calculating the base income of an earlier taxable year, and

(ii) the addition modification relating to the net operating loss carried back or forward to the taxable year from any taxable year ending prior to December 31, 1986 shall not exceed the amount of such carryback or carryforward;

For taxable years in which there is a net operating loss carryback or carryforward from more than one other taxable year ending prior to December 31, 1986, the addition modification provided in this subparagraph (E) shall be the sum of the amounts computed independently under the preceding provisions of this subparagraph (E) for each such taxable year;

(F) For taxable years ending on or after January 1, 1989, an amount equal to the tax deducted pursuant to Section 164 of the Internal Revenue Code if the trust or estate is claiming the same tax for purposes of the Illinois foreign tax credit under Section 601 of this Act;

(G) An amount equal to the amount of the capital gain deduction allowable under the Internal Revenue Code, to the extent deducted from gross income in the computation of taxable income;

(G-5) For taxable years ending after December 31, 1997, an amount equal to any eligible remediation costs that the trust or estate deducted in computing adjusted gross income and for which the trust or estate claims a credit under subsection (l) of Section 201;

(G-10) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code; and

(G-11) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (G-10), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (R) with respect to that property.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for

which the taxpayer was allowed in any taxable year to make a subtraction modification under subparagraph (R), then an amount equal to that subtraction modification.

The taxpayer is required to make the addition modification under this subparagraph only once with respect to any one piece of property;

(G-12) An amount equal to the amount otherwise allowed as a deduction in computing base income for interest paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of the foreign person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income pursuant to Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the interest was paid, accrued, or incurred.

This paragraph shall not apply to the following:

(i) an item of interest paid, accrued, or incurred, directly or indirectly, to a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such interest; or

(ii) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person, during the same taxable year, paid, accrued, or incurred, the interest to a person that is not a related member, and

(b) the transaction giving rise to the interest expense between the taxpayer

and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects an arm's-length interest rate and terms; or (iii) the taxpayer can establish, based on clear and convincing evidence, that

the interest paid, accrued, or incurred relates to a contract or agreement entered into at arm's-length rates and terms and the principal purpose for the payment is not federal or Illinois tax avoidance; or

(iv) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer establishes by clear and convincing evidence that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f).

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(G-13) An amount equal to the amount of intangible expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income pursuant to Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the intangible expenses and costs were directly or indirectly paid,

incurred, or accrued. The preceding sentence shall not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(c)(2)(G-12) of this Act. As used in this subparagraph, the term "intangible expenses and costs" includes: (1) expenses, losses, and costs for or related to the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, or any other disposition of intangible property; (2) losses incurred, directly or indirectly, from factoring transactions or discounting transactions; (3) royalty, patent, technical, and copyright fees; (4) licensing fees; and (5) other similar expenses and costs. For purposes of this subparagraph, "intangible property" includes patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This paragraph shall not apply to the following:

(i) any item of intangible expenses or costs paid, accrued, or incurred, directly or indirectly, from a transaction with a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such item; or

(ii) any item of intangible expense or cost paid, accrued, or incurred, directly or indirectly, if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person during the same taxable year paid, accrued, or incurred, the intangible expense or cost to a person that is not a related member, and

(b) the transaction giving rise to the intangible expense or cost between

the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects arm's-length terms; or

(iii) any item of intangible expense or cost paid, accrued, or incurred,

directly or indirectly, from a transaction with a person if the taxpayer establishes by clear and convincing evidence, that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f);

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(G-14) For taxable years ending on or after December 31, 2008, an amount equal to the amount of insurance premium expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income under Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the premiums and costs were directly or indirectly paid, incurred, or accrued. The preceding sentence does not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(c)(2)(G-12) or Section 203(c)(2)(G-13) of this Act;

(G-15) An amount equal to the credit allowable to the taxpayer under Section 218(a) of this Act, determined without regard to Section 218(c) of this Act; and by deducting from the total so obtained the sum of the following amounts:

(H) An amount equal to all amounts included in such total pursuant to the provisions of Sections 402(a), 402(c), 403(a), 403(b), 406(a), 407(a) and 408 of the Internal Revenue Code or included in such total as distributions under the provisions of any retirement or disability plan for employees of any governmental agency or unit, or retirement payments to retired partners, which payments are excluded in computing net earnings from self employment by Section 1402 of the Internal Revenue Code and regulations adopted pursuant thereto;

(I) The valuation limitation amount;

(J) An amount equal to the amount of any tax imposed by this Act which was refunded

to the taxpayer and included in such total for the taxable year;

(K) An amount equal to all amounts included in taxable income as modified by subparagraphs (A), (B), (C), (D), (E), (F) and (G) which are exempt from taxation by this State either by reason of its statutes or Constitution or by reason of the Constitution, treaties or statutes of the United States; provided that, in the case of any statute of this State that exempts income derived from bonds or other obligations from the tax imposed under this Act, the amount exempted shall be the interest net of bond premium amortization;

(L) With the exception of any amounts subtracted under subparagraph (K), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a)(2) and 265(a)(2) of the Internal Revenue Code, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(1) of the Internal Revenue Code of 1954, as now or hereafter amended; and (ii) for taxable years ending on or after August 13, 1999, Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;

(M) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act or a River Edge Redevelopment Zone or zones created under the River Edge Redevelopment Zone Act and conducts substantially all of its operations in an Enterprise Zone or Zones or a River Edge Redevelopment Zone or zones. This subparagraph (M) is exempt from the provisions of Section 250;

(N) An amount equal to any contribution made to a job training project established pursuant to the Tax Increment Allocation Redevelopment Act;

(O) An amount equal to those dividends included in such total that were paid by a corporation that conducts business operations in a federally designated Foreign Trade Zone or Sub-Zone and that is designated a High Impact Business located in Illinois; provided that dividends eligible for the deduction provided in subparagraph (M) of paragraph (2) of this subsection shall not be eligible for the deduction provided under this subparagraph (O);

(P) An amount equal to the amount of the deduction used to compute the federal income tax credit for restoration of substantial amounts held under claim of right for the taxable year pursuant to Section 1341 of the Internal Revenue Code of 1986;

(Q) For taxable year 1999 and thereafter, an amount equal to the amount of any (i) distributions, to the extent includible in gross income for federal income tax purposes, made to the taxpayer because of his or her status as a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime or as an heir of the victim and (ii) items of income, to the extent includible in gross income for federal income tax purposes, attributable to, derived from or in any way related to assets stolen from, hidden from, or otherwise lost to a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime immediately prior to, during, and immediately after World War II, including, but not limited to, interest on the proceeds receivable as insurance under policies issued to a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime by European insurance companies immediately prior to and during World War II; provided, however, this subtraction from federal adjusted gross income does not apply to assets acquired with such assets or with the proceeds from the sale of such assets; provided, further, this paragraph shall only apply to a taxpayer who was the first recipient of such assets after their recovery and who is a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime or as an heir of the victim. The amount of and the eligibility for any public assistance, benefit, or similar entitlement is not affected by the inclusion of items (i) and (ii) of this paragraph in gross income for federal income tax purposes. This paragraph is exempt from the provisions of Section 250;

(R) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction;

(2) for taxable years ending on or before December 31, 2005, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(3) for taxable years ending after December 31, 2005:

(i) for property on which a bonus depreciation deduction of 30% of the adjusted basis was taken, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(ii) for property on which a bonus depreciation deduction of 50% of the adjusted basis was taken, "x" equals "y" multiplied by 1.0.

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code. This subparagraph (R) is exempt from the provisions of Section 250;

(S) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (G-10), then an amount equal to that addition modification.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (G-10), then an amount equal to that addition modification.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

This subparagraph (S) is exempt from the provisions of Section 250;

(T) The amount of (i) any interest income (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-17), 203(b)(2)(E-12), 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed the amount of such addition modification and (ii) any income from intangible property (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or 203(d)(2)(D-8), but not to exceed the amount of such addition modification. This subparagraph (T) is exempt from the provisions of Section 250;

(U) An amount equal to the interest income taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(c)(2)(G-12) for interest paid, accrued, or incurred, directly or indirectly, to the same person. This subparagraph (U) is exempt from the provisions of Section 250; and

(V) An amount equal to the income from intangible property taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(c)(2)(G-13) for intangible expenses and costs paid, accrued, or incurred, directly or indirectly, to the same foreign person. This subparagraph (V) is exempt from the provisions of Section 250.

(3) Limitation. The amount of any modification otherwise required under this subsection shall, under regulations prescribed by the Department, be adjusted by any amounts included therein which were properly paid, credited, or required to be distributed, or permanently set aside for charitable purposes pursuant to Internal Revenue Code Section 642(c) during the taxable year.

(d) Partnerships.

(1) In general. In the case of a partnership, base income means an amount equal to the taxpayer's taxable income for the taxable year as modified by paragraph (2).

(2) Modifications. The taxable income referred to in paragraph (1) shall be modified by

adding thereto the sum of the following amounts:

(A) An amount equal to all amounts paid or accrued to the taxpayer as interest or dividends during the taxable year to the extent excluded from gross income in the computation of taxable income;

(B) An amount equal to the amount of tax imposed by this Act to the extent deducted from gross income for the taxable year;

(C) The amount of deductions allowed to the partnership pursuant to Section 707 (c) of the Internal Revenue Code in calculating its taxable income;

(D) An amount equal to the amount of the capital gain deduction allowable under the Internal Revenue Code, to the extent deducted from gross income in the computation of taxable income;

(D-5) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code;

(D-6) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-5), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (O) with respect to that property.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was allowed in any taxable year to make a subtraction modification under subparagraph (O), then an amount equal to that subtraction modification.

The taxpayer is required to make the addition modification under this subparagraph only once with respect to any one piece of property;

(D-7) An amount equal to the amount otherwise allowed as a deduction in computing base income for interest paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact the foreign person's business activity outside the United States is 80% or more of the foreign person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income pursuant to Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the interest was paid, accrued, or incurred.

This paragraph shall not apply to the following:

(i) an item of interest paid, accrued, or incurred, directly or indirectly, to a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such interest; or

(ii) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person, during the same taxable year, paid, accrued, or incurred, the interest to a person that is not a related member, and

(b) the transaction giving rise to the interest expense between the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects an arm's-length interest rate and terms; or

(iii) the taxpayer can establish, based on clear and convincing evidence, that the interest paid, accrued, or incurred relates to a contract or agreement entered into at arm's-length rates and terms and the principal purpose for the payment is not federal or Illinois tax avoidance; or

(iv) an item of interest paid, accrued, or incurred, directly or indirectly, to a person if the taxpayer establishes by clear and convincing evidence that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f).

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act; and

(D-8) An amount equal to the amount of intangible expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, (i) for taxable years ending on or after December 31, 2004, to a foreign person who would be a member of the same unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income pursuant to Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the intangible expenses and costs were directly or indirectly paid, incurred or accrued. The preceding sentence shall not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(d)(2)(D-7) of this Act. As used in this subparagraph, the term "intangible expenses and costs" includes (1) expenses, losses, and costs for, or related to, the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, or any other disposition of intangible property; (2) losses incurred, directly or indirectly, from factoring transactions or discounting transactions; (3) royalty, patent, technical, and copyright fees; (4) licensing fees; and (5) other similar expenses and costs. For purposes of this subparagraph, "intangible property" includes patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets;

This paragraph shall not apply to the following:

(i) any item of intangible expenses or costs paid, accrued, or incurred, directly or indirectly, from a transaction with a person who is subject in a foreign country or state, other than a state which requires mandatory unitary reporting, to a tax on or measured by net income with respect to such item; or

(ii) any item of intangible expense or cost paid, accrued, or incurred, directly or indirectly, if the taxpayer can establish, based on a preponderance of the evidence, both of the following:

(a) the person during the same taxable year paid, accrued, or incurred, the intangible expense or cost to a person that is not a related member, and

(b) the transaction giving rise to the intangible expense or cost between

the taxpayer and the person did not have as a principal purpose the avoidance of Illinois income tax, and is paid pursuant to a contract or agreement that reflects arm's-length terms; or

(iii) any item of intangible expense or cost paid, accrued, or incurred,

directly or indirectly, from a transaction with a person if the taxpayer establishes by clear and convincing evidence, that the adjustments are unreasonable; or if the taxpayer and the Director agree in writing to the application or use of an alternative method of apportionment under Section 304(f);

Nothing in this subsection shall preclude the Director from making any other adjustment otherwise allowed under Section 404 of this Act for any tax year beginning after the effective date of this amendment provided such adjustment is made pursuant to regulation adopted by the Department and such regulations provide methods and standards by which the Department will utilize its authority under Section 404 of this Act;

(D-9) For taxable years ending on or after December 31, 2008, an amount equal to the amount of insurance premium expenses and costs otherwise allowed as a deduction in computing base income, and that were paid, accrued, or incurred, directly or indirectly, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304. The

addition modification required by this subparagraph shall be reduced to the extent that dividends were included in base income of the unitary group for the same taxable year and received by the taxpayer or by a member of the taxpayer's unitary business group (including amounts included in gross income under Sections 951 through 964 of the Internal Revenue Code and amounts included in gross income under Section 78 of the Internal Revenue Code) with respect to the stock of the same person to whom the premiums and costs were directly or indirectly paid, incurred, or accrued. The preceding sentence does not apply to the extent that the same dividends caused a reduction to the addition modification required under Section 203(d)(2)(D-7) or Section 203(d)(2)(D-8) of this Act;

(D-10) An amount equal to the credit allowable to the taxpayer under Section 218(a) of this Act, determined without regard to Section 218(c) of this Act;

and by deducting from the total so obtained the following amounts:

(E) The valuation limitation amount;

(F) An amount equal to the amount of any tax imposed by this Act which was refunded to the taxpayer and included in such total for the taxable year;

(G) An amount equal to all amounts included in taxable income as modified by subparagraphs (A), (B), (C) and (D) which are exempt from taxation by this State either by reason of its statutes or Constitution or by reason of the Constitution, treaties or statutes of the United States; provided that, in the case of any statute of this State that exempts income derived from bonds or other obligations from the tax imposed under this Act, the amount exempted shall be the interest net of bond premium amortization;

(H) Any income of the partnership which constitutes personal service income as defined in Section 1348 (b) (1) of the Internal Revenue Code (as in effect December 31, 1981) or a reasonable allowance for compensation paid or accrued for services rendered by partners to the partnership, whichever is greater;

(I) An amount equal to all amounts of income distributable to an entity subject to the Personal Property Tax Replacement Income Tax imposed by subsections (c) and (d) of Section 201 of this Act including amounts distributable to organizations exempt from federal income tax by reason of Section 501(a) of the Internal Revenue Code, provided that the deduction under this subparagraph (I) shall not be allowed to a publicly traded partnership under Section 7704 of the Internal Revenue Code for any taxable year ending on or after December 31, 2009;

(J) With the exception of any amounts subtracted under subparagraph (G), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a) (2), and 265(2) of the Internal Revenue Code of 1954, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(1) of the Internal Revenue Code, as now or hereafter amended; and (ii) for taxable years ending on or after August 13, 1999, Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;

(K) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act, enacted by the 82nd General Assembly, or a River Edge Redevelopment Zone or zones created under the River Edge Redevelopment Zone Act and conducts substantially all of its operations in an Enterprise Zone or Zones or from a River Edge Redevelopment Zone or zones. This subparagraph (K) is exempt from the provisions of Section 250;

(L) An amount equal to any contribution made to a job training project established pursuant to the Real Property Tax Increment Allocation Redevelopment Act;

(M) An amount equal to those dividends included in such total that were paid by a corporation that conducts business operations in a federally designated Foreign Trade Zone or Sub-Zone and that is designated a High Impact Business located in Illinois; provided that dividends eligible for the deduction provided in subparagraph (K) of paragraph (2) of this subsection shall not be eligible for the deduction provided under this subparagraph (M);

(N) An amount equal to the amount of the deduction used to compute the federal income tax credit for restoration of substantial amounts held under claim of right for the taxable year pursuant to Section 1341 of the Internal Revenue Code of 1986;

(O) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction;

(2) for taxable years ending on or before December 31, 2005, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(3) for taxable years ending after December 31, 2005:

(i) for property on which a bonus depreciation deduction of 30% of the adjusted basis was taken, "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429); and

(ii) for property on which a bonus depreciation deduction of 50% of the adjusted basis was taken, "x" equals "y" multiplied by 1.0.

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code. This subparagraph (O) is exempt from the provisions of Section 250;

(P) If the taxpayer sells, transfers, abandons, or otherwise disposes of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-5), then an amount equal to that addition modification.

If the taxpayer continues to own property through the last day of the last tax year for which the taxpayer may claim a depreciation deduction for federal income tax purposes and for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-5), then an amount equal to that addition modification.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

This subparagraph (P) is exempt from the provisions of Section 250;

(Q) The amount of (i) any interest income (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-17), 203(b)(2)(E-12), 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed the amount of such addition modification and (ii) any income from intangible property (net of the deductions allocable thereto) taken into account for the taxable year with respect to a transaction with a taxpayer that is required to make an addition modification with respect to such transaction under Section 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or 203(d)(2)(D-8), but not to exceed the amount of such addition modification. This subparagraph (Q) is exempt from Section 250;

(R) An amount equal to the interest income taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(d)(2)(D-7) for interest paid, accrued, or incurred, directly or indirectly, to the same person. This subparagraph (R) is exempt from Section 250; and

(S) An amount equal to the income from intangible property taken into account for the taxable year (net of the deductions allocable thereto) with respect to transactions with (i) a foreign person who would be a member of the taxpayer's unitary business group but for the fact that the foreign person's business activity outside the United States is 80% or more of that person's total business activity and (ii) for taxable years ending on or after December 31, 2008, to a person who would be a member of the same unitary business group but for the fact that the person is prohibited under Section 1501(a)(27) from being included in the unitary business group because he or she is ordinarily required to apportion business income under different subsections of Section 304, but not to exceed the addition modification required to be made for the same taxable year under Section 203(d)(2)(D-8) for intangible expenses and costs paid, accrued, or incurred, directly or indirectly, to the same person. This subparagraph (S) is exempt from Section 250.

(e) Gross income; adjusted gross income; taxable income.

(1) In general. Subject to the provisions of paragraph (2) and subsection (b) (3), for purposes of this Section and Section 803(e), a taxpayer's gross income, adjusted gross income, or taxable income for the taxable year shall mean the amount of gross income, adjusted gross income or taxable income properly reportable for federal income tax purposes for the taxable year under the provisions of the Internal Revenue Code. Taxable income may be less than zero. However, for taxable years ending on or after December 31, 1986, net operating loss carryforwards from taxable years ending prior to December 31, 1986, may not exceed the sum of federal taxable income for the taxable year before net operating loss deduction, plus the excess of addition modifications over subtraction modifications for the taxable year. For taxable years ending prior to December 31, 1986, taxable income may never be an amount in excess of the net operating loss for the taxable year as defined in subsections (c) and (d) of Section 172 of the Internal Revenue Code, provided that when taxable income of a corporation (other than a Subchapter S corporation), trust, or estate is less than zero and addition modifications, other than those provided by subparagraph (E) of paragraph (2) of subsection (b) for corporations or subparagraph (E) of paragraph (2) of subsection (c) for trusts and estates, exceed subtraction modifications, an addition modification must be made under those subparagraphs for any other taxable year to which the taxable income less than zero (net operating loss) is applied under Section 172 of the Internal Revenue Code or under subparagraph (E) of paragraph (2) of this subsection (e) applied in conjunction with Section 172 of the Internal Revenue Code.

(2) Special rule. For purposes of paragraph (1) of this subsection, the taxable income properly reportable for federal income tax purposes shall mean:

(A) Certain life insurance companies. In the case of a life insurance company subject to the tax imposed by Section 801 of the Internal Revenue Code, life insurance company taxable income, plus the amount of distribution from pre-1984 policyholder surplus accounts as calculated under Section 815a of the Internal Revenue Code;

(B) Certain other insurance companies. In the case of mutual insurance companies subject to the tax imposed by Section 831 of the Internal Revenue Code, insurance company taxable income;

(C) Regulated investment companies. In the case of a regulated investment company subject to the tax imposed by Section 852 of the Internal Revenue Code, investment company taxable income;

(D) Real estate investment trusts. In the case of a real estate investment trust subject to the tax imposed by Section 857 of the Internal Revenue Code, real estate investment trust taxable income;

(E) Consolidated corporations. In the case of a corporation which is a member of an affiliated group of corporations filing a consolidated income tax return for the taxable year for federal income tax purposes, taxable income determined as if such corporation had filed a separate return for federal income tax purposes for the taxable year and each preceding taxable year for which it was a member of an affiliated group. For purposes of this subparagraph, the taxpayer's separate taxable income shall be determined as if the election provided by Section 243(b) (2) of the Internal Revenue Code had been in effect for all such years;

(F) Cooperatives. In the case of a cooperative corporation or association, the taxable income of such organization determined in accordance with the provisions of Section 1381 through 1388 of the Internal Revenue Code;

(G) Subchapter S corporations. In the case of: (i) a Subchapter S corporation for which there is in effect an election for the taxable year under Section 1362 of the Internal Revenue Code, the taxable income of such corporation determined in accordance with Section 1363(b) of the Internal Revenue Code, except that taxable income shall take into account those items which are required by Section 1363(b)(1) of the Internal Revenue Code to be separately stated; and (ii) a Subchapter S corporation for which there is in effect a federal election to opt out of the provisions of the Subchapter S Revision Act of 1982 and have applied instead the prior federal Subchapter S rules as in effect on July 1, 1982, the taxable income of such corporation determined in accordance with the federal Subchapter S rules as in effect on July 1, 1982; and

(H) Partnerships. In the case of a partnership, taxable income determined in accordance with Section 703 of the Internal Revenue Code, except that taxable income shall take into account those items which are required by Section 703(a)(1) to be separately stated but which would be taken into account by an individual in calculating his taxable income.

(3) Recapture of business expenses on disposition of asset or business. Notwithstanding any other law to the contrary, if in prior years income from an asset or business has been classified as business income and in a later year is demonstrated to be non-business income, then all expenses,

without limitation, deducted in such later year and in the 2 immediately preceding taxable years related to that asset or business that generated the non-business income shall be added back and recaptured as business income in the year of the disposition of the asset or business. Such amount shall be apportioned to Illinois using the greater of the apportionment fraction computed for the business under Section 304 of this Act for the taxable year or the average of the apportionment fractions computed for the business under Section 304 of this Act for the taxable year and for the 2 immediately preceding taxable years.

(f) Valuation limitation amount.

(1) In general. The valuation limitation amount referred to in subsections (a) (2) (G),

(c) (2) (I) and (d)(2) (E) is an amount equal to:

(A) The sum of the pre-August 1, 1969 appreciation amounts (to the extent consisting of gain reportable under the provisions of Section 1245 or 1250 of the Internal Revenue Code) for all property in respect of which such gain was reported for the taxable year; plus

(B) The lesser of (i) the sum of the pre-August 1, 1969 appreciation amounts (to the extent consisting of capital gain) for all property in respect of which such gain was reported for federal income tax purposes for the taxable year, or (ii) the net capital gain for the taxable year, reduced in either case by any amount of such gain included in the amount determined under subsection (a) (2) (F) or (c) (2) (H).

(2) Pre-August 1, 1969 appreciation amount.

(A) If the fair market value of property referred to in paragraph (1) was readily ascertainable on August 1, 1969, the pre-August 1, 1969 appreciation amount for such property is the lesser of (i) the excess of such fair market value over the taxpayer's basis (for determining gain) for such property on that date (determined under the Internal Revenue Code as in effect on that date), or (ii) the total gain realized and reportable for federal income tax purposes in respect of the sale, exchange or other disposition of such property.

(B) If the fair market value of property referred to in paragraph (1) was not readily ascertainable on August 1, 1969, the pre-August 1, 1969 appreciation amount for such property is that amount which bears the same ratio to the total gain reported in respect of the property for federal income tax purposes for the taxable year, as the number of full calendar months in that part of the taxpayer's holding period for the property ending July 31, 1969 bears to the number of full calendar months in the taxpayer's entire holding period for the property.

(C) The Department shall prescribe such regulations as may be necessary to carry out the purposes of this paragraph.

(g) Double deductions. Unless specifically provided otherwise, nothing in this Section shall permit the same item to be deducted more than once.

(h) Legislative intention. Except as expressly provided by this Section there shall be no modifications or limitations on the amounts of income, gain, loss or deduction taken into account in determining gross income, adjusted gross income or taxable income for federal income tax purposes for the taxable year, or in the amount of such items entering into the computation of base income and net income under this Act for such taxable year, whether in respect of property values as of August 1, 1969 or otherwise.

(Source: P.A. 95-23, eff. 8-3-07; 95-233, eff. 8-16-07; 95-286, eff. 8-20-07; 95-331, eff. 8-21-07; 95-707, eff. 1-11-08; 95-876, eff. 8-21-08; 96-45, eff. 7-15-09; 96-120, eff. 8-4-09; 96-198, eff. 8-10-09; 96-328, eff. 8-11-09; 96-520, eff. 8-14-09; 96-835, eff. 12-16-09.)"

Senate Committee Amendment No. 2 was postponed in the Committee on Executive.

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

AMENDMENT NO. 3 TO SENATE BILL 2494

AMENDMENT NO. 3. Amend Senate Bill 2494, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, as follows:

on page 3, line 14, after "that", by inserting "enrolls students in any of grades kindergarten through 8 and that"; and

on page 3, by replacing lines 17 and 18 with the following:

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"Achievement Test."; and

on page 3, line 20, by deleting "or secondary"; and

on page 4, by replacing lines 11 through 13 with the following:

"(2) is enrolled in any of grades kindergarten through 8 in a low-performing school or has received a School Choice Voucher in the previous school year or would enter kindergarten in a low-performing school during the school year for which a voucher is sought; and"; and

on page 4, line 16, by replacing "12th" with "8th"; and

on page 6, line 26, by deleting "and"; and

on page 7, line 4, by replacing "pupils." with "pupils; and"; and

on page 7, immediately below line 4, by inserting the following:

"(7) that if a student attending a nonpublic school under the School Choice Program is expelled from the nonpublic school before the State Board of Education has honored the voucher of the school, then the State Board of Education shall pay the corresponding prorated portion of the voucher amount to the nonpublic school; and that if the State Board of Education has paid the voucher amount to the nonpublic school and the pupil is expelled, then the nonpublic school shall refund the corresponding prorated portion of the voucher to the State Board of Education."; and

on page 7, line 13, by replacing "12" with "8".

There being no further amendments, the foregoing Amendments Numbered 1 and 3 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Steans, **Senate Bill No. 3522** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 3522

AMENDMENT NO. 1. Amend Senate Bill 3522 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 34-83.1 as follows:

(105 ILCS 5/34-83.1) (from Ch. 122, par. 34-83.1)

Sec. 34-83.1. Residence requirements. Residency within any school district governed by this Article, ~~if not required at the time of employment as a qualification of employment,~~ shall not be considered in determining the employment or the compensation of a teacher or whether to retain, promote, assign, or transfer that teacher.

(Source: P.A. 82-381.)

Section 90. The State Mandates Act is amended by adding Section 8.34 as follows:

(30 ILCS 805/8.34 new)

Sec. 8.34. 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 96th General Assembly."

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

CONSIDERATION OF RESOLUTIONS ON SECRETARY'S DESK

Senator Kotowski moved that **Senate Resolution No. 729**, on the Secretary's Desk, be taken up for immediate consideration.

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The motion prevailed.
 Senator Kotowski moved that Senate Resolution No. 729 be adopted.
 The motion prevailed.
 And the resolution was adopted.

Senator Jacobs moved that **House Joint Resolution No. 89**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.
 Senator Jacobs moved that House Joint Resolution No. 89 be adopted.
 The motion prevailed.
 And the resolution was adopted.
 Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 5:59 o'clock p.m., Senator Hendon, presiding.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 2812**, 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 53; NAYS 3.

The following voted in the affirmative:

Althoff	Forby	Lightford	Risinger
Bivins	Frerichs	Link	Sandoval
Bomke	Garrett	Luechtefeld	Schoenberg
Bond	Haine	Maloney	Silverstein
Brady	Harmon	Martinez	Steans
Clayborne	Hendon	McCarter	Sullivan
Collins	Holmes	Meeks	Syverson
Cronin	Hultgren	Millner	Trotter
Crotty	Hunter	Muñoz	Viverito
Dahl	Hutchinson	Murphy	Wilhelmi
DeLeo	Jacobs	Noland	Mr. President
Delgado	Jones, E.	Pankau	
Demuzio	Koehler	Radogno	
Dillard	Kotowski	Righter	

The following voted in the negative:

Burzynski
 Duffy
 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 therein.

SENATE BILL RECALLED

On motion of Senator Link, **Senate Bill No. 3152** was recalled from the order of third reading to the order of second reading.

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Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 3152

AMENDMENT NO. 2. Amend Senate Bill 3152, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The County Economic Development Project Area Property Tax Allocation Act is amended by adding Sections 12 and 13 as follows:

(55 ILCS 85/12 new)

Sec. 12. Status report; hearing. No later than 10 years after the corporate authorities of a county adopt an ordinance to establish an economic development project area, the county must compile a status report concerning the economic development project area. The status report must detail without limitation the following: (i) the amount of revenue generated within the economic development project area, (ii) any expenditures made by the county for the economic development project area including without limitation expenditures from the special tax allocation fund, (iii) the status of planned activities, goals, and objectives set forth in the economic development plan including details on new or planned construction within the economic development project area, (iv) the amount of private and public investment within the economic development project area, and (v) any other relevant evaluation or performance data. Within 30 days after the county compiles the status report, the county must hold at least one public hearing concerning the report. The county must provide 20 days' public notice of the hearing.

(55 ILCS 85/13 new)

Sec. 13. Requirements for annual budget. Beginning in fiscal year 2011 and in each fiscal year thereafter, a county must detail in its annual budget (i) the amount of revenue generated from economic development project areas by source and (ii) the expenditures made by the county for economic development project areas.

Section 10. The County Economic Development Project Area Tax Increment Allocation Act of 1991 is amended by adding Section 74 as follows:

(55 ILCS 90/74 new)

Sec. 74. Requirements for annual budget. Beginning in fiscal year 2011 and in each fiscal year thereafter, a county must detail in its annual budget (i) the amount of revenue generated from economic development project areas by source and (ii) the expenditures made by the county for economic development project areas.

Section 15. The Illinois Municipal Code is amended by changing Section 11-74.4-5 as follows:

(65 ILCS 5/11-74.4-5) (from Ch. 24, par. 11-74.4-5)

Sec. 11-74.4-5. Public hearing; joint review board.

(a) The changes made by this amendatory Act of the 91st General Assembly do not apply to a municipality that, (i) before the effective date of this amendatory Act of the 91st General Assembly, has adopted an ordinance or resolution fixing a time and place for a public hearing under this Section or (ii) before July 1, 1999, has adopted an ordinance or resolution providing for a feasibility study under Section 11-74.4-4.1, but has not yet adopted an ordinance approving redevelopment plans and redevelopment projects or designating redevelopment project areas under Section 11-74.4-4, until after that municipality adopts an ordinance approving redevelopment plans and redevelopment projects or designating redevelopment project areas under Section 11-74.4-4; thereafter the changes made by this amendatory Act of the 91st General Assembly apply to the same extent that they apply to redevelopment plans and redevelopment projects that were approved and redevelopment projects that were designated before the effective date of this amendatory Act of the 91st General Assembly.

Prior to the adoption of an ordinance proposing the designation of a redevelopment project area, or approving a redevelopment plan or redevelopment project, the municipality by its corporate authorities, or as it may determine by any commission designated under subsection (k) of Section 11-74.4-4 shall adopt an ordinance or resolution fixing a time and place for public hearing. At least 10 days prior to the adoption of the ordinance or resolution establishing the time and place for the public hearing, the municipality shall make available for public inspection a redevelopment plan or a separate report that provides in reasonable detail the basis for the eligibility of the redevelopment project area. The report along with the name of a person to contact for further information shall be sent within a reasonable time after the adoption of such ordinance or resolution to the affected taxing districts by certified mail. On and after the effective date of this amendatory Act of the 91st General Assembly, the municipality shall print in a newspaper of general circulation within the municipality a notice that interested persons may

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register with the municipality in order to receive information on the proposed designation of a redevelopment project area or the approval of a redevelopment plan. The notice shall state the place of registration and the operating hours of that place. The municipality shall have adopted reasonable rules to implement this registration process under Section 11-74.4-4.2. The municipality shall provide notice of the availability of the redevelopment plan and eligibility report, including how to obtain this information, by mail within a reasonable time after the adoption of the ordinance or resolution, to all residential addresses that, after a good faith effort, the municipality determines are located outside the proposed redevelopment project area and within 750 feet of the boundaries of the proposed redevelopment project area. This requirement is subject to the limitation that in a municipality with a population of over 100,000, if the total number of residential addresses outside the proposed redevelopment project area and within 750 feet of the boundaries of the proposed redevelopment project area exceeds 750, the municipality shall be required to provide the notice to only the 750 residential addresses that, after a good faith effort, the municipality determines are outside the proposed redevelopment project area and closest to the boundaries of the proposed redevelopment project area. Notwithstanding the foregoing, notice given after August 7, 2001 (the effective date of Public Act 92-263) and before the effective date of this amendatory Act of the 92nd General Assembly to residential addresses within 750 feet of the boundaries of a proposed redevelopment project area shall be deemed to have been sufficiently given in compliance with this Act if given only to residents outside the boundaries of the proposed redevelopment project area. The notice shall also be provided by the municipality, regardless of its population, to those organizations and residents that have registered with the municipality for that information in accordance with the registration guidelines established by the municipality under Section 11-74.4-4.2.

At the public hearing any interested person or affected taxing district may file with the municipal clerk written objections to and may be heard orally in respect to any issues embodied in the notice. The municipality shall hear all protests and objections at the hearing and the hearing may be adjourned to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. At the public hearing or at any time prior to the adoption by the municipality of an ordinance approving a redevelopment plan, the municipality may make changes in the redevelopment plan. Changes which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, shall be made only after the municipality gives notice, convenes a joint review board, and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes. Hearings with regard to a redevelopment project area, project or plan may be held simultaneously.

(b) Prior to holding a public hearing to approve or amend a redevelopment plan or to designate or add additional parcels of property to a redevelopment project area, the municipality shall convene a joint review board. The board shall consist of a representative selected by each community college district, local elementary school district and high school district or each local community unit school district, park district, library district, township, fire protection district, and county that will have the authority to directly levy taxes on the property within the proposed redevelopment project area at the time that the proposed redevelopment project area is approved, a representative selected by the municipality and a public member. The public member shall first be selected and then the board's chairperson shall be selected by a majority of the board members present and voting.

For redevelopment project areas with redevelopment plans or proposed redevelopment plans that would result in the displacement of residents from 10 or more inhabited residential units or that include 75 or more inhabited residential units, the public member shall be a person who resides in the redevelopment project area. If, as determined by the housing impact study provided for in paragraph (5)

of subsection (n) of Section 11-74.4-3, or if no housing impact study is required then based on other reasonable data, the majority of residential units are occupied by very low, low, or moderate income households, as defined in Section 3 of the Illinois Affordable Housing Act, the public member shall be a person who resides in very low, low, or moderate income housing within the redevelopment project area. Municipalities with fewer than 15,000 residents shall not be required to select a person who lives in very low, low, or moderate income housing within the redevelopment project area, provided that the redevelopment plan or project will not result in displacement of residents from 10 or more inhabited units, and the municipality so certifies in the plan. If no person satisfying these requirements is available or if no qualified person will serve as the public member, then the joint review board is relieved of this paragraph's selection requirements for the public member.

Within 90 days of the effective date of this amendatory Act of the 91st General Assembly, each municipality that designated a redevelopment project area for which it was not required to convene a joint review board under this Section shall convene a joint review board to perform the duties specified under paragraph (e) of this Section.

All board members shall be appointed and the first board meeting shall be held at least 14 days but not more than 28 days after the mailing of notice by the municipality to the taxing districts as required by Section 11-74.4-6(c). Notwithstanding the preceding sentence, a municipality that adopted either a public hearing resolution or a feasibility resolution between July 1, 1999 and July 1, 2000 that called for the meeting of the joint review board within 14 days of notice of public hearing to affected taxing districts is deemed to be in compliance with the notice, meeting, and public hearing provisions of the Act. Such notice shall also advise the taxing bodies represented on the joint review board of the time and place of the first meeting of the board. Additional meetings of the board shall be held upon the call of any member. The municipality seeking designation of the redevelopment project area shall provide administrative support to the board.

The board shall review (i) the public record, planning documents and proposed ordinances approving the redevelopment plan and project and (ii) proposed amendments to the redevelopment plan or additions of parcels of property to the redevelopment project area to be adopted by the municipality. As part of its deliberations, the board may hold additional hearings on the proposal. A board's recommendation shall be an advisory, non-binding recommendation. The recommendation shall be adopted by a majority of those members present and voting. The recommendations shall be submitted to the municipality within 30 days after convening of the board. Failure of the board to submit its report on a timely basis shall not be cause to delay the public hearing or any other step in the process of designating or amending the redevelopment project area but shall be deemed to constitute approval by the joint review board of the matters before it.

The board shall base its recommendation to approve or disapprove the redevelopment plan and the designation of the redevelopment project area or the amendment of the redevelopment plan or addition of parcels of property to the redevelopment project area on the basis of the redevelopment project area and redevelopment plan satisfying the plan requirements, the eligibility criteria defined in Section 11-74.4-3, and the objectives of this Act.

The board shall issue a written report describing why the redevelopment plan and project area or the amendment thereof meets or fails to meet one or more of the objectives of this Act and both the plan requirements and the eligibility criteria defined in Section 11-74.4-3. In the event the Board does not file a report it shall be presumed that these taxing bodies find the redevelopment project area and redevelopment plan satisfy the objectives of this Act and the plan requirements and eligibility criteria.

If the board recommends rejection of the matters before it, the municipality will have 30 days within which to resubmit the plan or amendment. During this period, the municipality will meet and confer with the board and attempt to resolve those issues set forth in the board's written report that led to the rejection of the plan or amendment.

Notwithstanding the resubmission set forth above, the municipality may commence the scheduled public hearing and either adjourn the public hearing or continue the public hearing until a date certain. Prior to continuing any public hearing to a date certain, the municipality shall announce during the public hearing the time, date, and location for the reconvening of the public hearing. Any changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report shall be the subject of a public hearing before the hearing is adjourned if the changes would (1) substantially affect the general land uses proposed in the redevelopment plan, (2) substantially change the nature of or extend the life of the redevelopment project, or (3) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10. Changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report shall not require any further notice or

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convening of a joint review board meeting, except that any changes to the redevelopment plan that would add additional parcels of property to the proposed redevelopment project area shall be subject to the notice, public hearing, and joint review board meeting requirements established for such changes by subsection (a) of Section 11-74.4-5.

In the event that the municipality and the board are unable to resolve these differences, or in the event that the resubmitted plan or amendment is rejected by the board, the municipality may proceed with the plan or amendment, but only upon a three-fifths vote of the corporate authority responsible for approval of the plan or amendment, excluding positions of members that are vacant and those members that are ineligible to vote because of conflicts of interest.

(c) After a municipality has by ordinance approved a redevelopment plan and designated a redevelopment project area, the plan may be amended and additional properties may be added to the redevelopment project area only as herein provided. Amendments which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, shall be made only after the municipality gives notice, convenes a joint review board, and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project cost set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further public hearing and related notices and procedures including the convening of a joint review board as set forth in Section 11-74.4-6 of this Act, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes.

(d) After the effective date of this amendatory Act of the 91st General Assembly, a municipality shall submit in an electronic format the following information for each redevelopment project area (i) to the State Comptroller under Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all taxing districts overlapping the redevelopment project area no later than 180 days after the close of each municipal fiscal year or as soon thereafter as the audited financial statements become available and, in any case, shall be submitted before the annual meeting of the Joint Review Board to each of the taxing districts that overlap the redevelopment project area:

(1) Any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary.

(1.5) A list of the redevelopment project areas administered by the municipality and, if applicable, the date each redevelopment project area was designated or terminated by the municipality.

(2) Audited financial statements of the special tax allocation fund once a cumulative total of \$100,000 has been deposited in the fund.

(3) Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of this Act during the preceding fiscal year.

(4) An opinion of legal counsel that the municipality is in compliance with this Act.

(5) An analysis of the special tax allocation fund which sets forth:

(A) the balance in the special tax allocation fund at the beginning of the fiscal year;

(B) all amounts deposited in the special tax allocation fund by source;

(C) an itemized list of all expenditures from the special tax allocation fund by category of permissible redevelopment project cost; and

(D) the balance in the special tax allocation fund at the end of the fiscal year

including a breakdown of that balance by source and a breakdown of that balance identifying any portion of the balance that is required, pledged, earmarked, or otherwise designated for payment of or securing of obligations and anticipated redevelopment project costs. Any portion of such ending balance that has not been identified or is not identified as being required, pledged, earmarked, or otherwise designated for payment of or securing of obligations or anticipated redevelopment projects costs shall be designated as surplus as set forth in Section 11-74.4-7 hereof.

(6) A description of all property purchased by the municipality within the redevelopment project area including:

- (A) Street address.
- (B) Approximate size or description of property.
- (C) Purchase price.
- (D) Seller of property.

(7) A statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including:

- (A) Any project implemented in the preceding fiscal year.
- (B) A description of the redevelopment activities undertaken.

(C) A description of any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary.

(D) Additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan.

(E) Information regarding contracts that the municipality's tax increment advisors or consultants have entered into with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the same redevelopment project area.

(F) Any reports submitted to the municipality by the joint review board.

(G) A review of public and, to the extent possible, private investment actually undertaken to date after the effective date of this amendatory Act of the 91st General Assembly and estimated to be undertaken during the following year. This review shall, on a project-by-project basis, set forth the estimated amounts of public and private investment incurred after the effective date of this amendatory Act of the 91st General Assembly and provide the ratio of private investment to public investment to the date of the report and as estimated to the completion of the redevelopment project.

(8) With regard to any obligations issued by the municipality:

(A) copies of any official statements; and

(B) an analysis prepared by financial advisor or underwriter setting forth: (i) nature and term of obligation; and (ii) projected debt service including required reserves and debt coverage.

(9) For special tax allocation funds that have experienced cumulative deposits of incremental tax revenues of \$100,000 or more, a certified audit report reviewing compliance with this Act performed by an independent public accountant certified and licensed by the authority of the State of Illinois. The financial portion of the audit must be conducted in accordance with Standards for Audits of Governmental Organizations, Programs, Activities, and Functions adopted by the Comptroller General of the United States (1981), as amended, or the standards specified by Section 8-8-5 of the Illinois Municipal Auditing Law of the Illinois Municipal Code. The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3. For redevelopment plans or projects that would result in the displacement of residents from 10 or more inhabited residential units or that contain 75 or more inhabited residential units, notice of the availability of the information, including how to obtain the report, required in this subsection shall also be sent by mail to all residents or organizations that operate in the municipality that register with the municipality for that information according to registration procedures adopted under Section 11-74.4-4.2. All municipalities are subject to this provision.

(10) A list of all intergovernmental agreements in effect during the fiscal year to which the municipality is a party and an accounting of any moneys transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements.

(d-1) Prior to the effective date of this amendatory Act of the 91st General Assembly, municipalities with populations of over 1,000,000 shall, after adoption of a redevelopment plan or project, make available upon request to any taxing district in which the redevelopment project area is located the following information:

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- (1) Any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary; and
- (2) In connection with any redevelopment project area for which the municipality has outstanding obligations issued to provide for redevelopment project costs pursuant to Section 11-74.4-7, audited financial statements of the special tax allocation fund.
- (e) The joint review board shall meet annually 180 days after the close of the municipal fiscal year or as soon as the redevelopment project audit for that fiscal year becomes available to review the effectiveness and status of the redevelopment project area up to that date.
- (f) (Blank).
- (g) In the event that a municipality has held a public hearing under this Section prior to March 14, 1994 (the effective date of Public Act 88-537), the requirements imposed by Public Act 88-537 relating to the method of fixing the time and place for public hearing, the materials and information required to be made available for public inspection, and the information required to be sent after adoption of an ordinance or resolution fixing a time and place for public hearing shall not be applicable.
- (h) On and after the effective date of this amendatory Act of the 96th General Assembly, the State Comptroller must post on the State Comptroller's official website the information submitted by a municipality pursuant to subsection (d) of this Section. The information must be posted no later than 45 days after the State Comptroller receives the information from the municipality. The State Comptroller must also post a list of the municipalities not in compliance with the reporting requirements set forth in subsection (d) of this Section.
- (i) No later than 10 years after the corporate authorities of a municipality adopt an ordinance to establish a redevelopment project area, the municipality must compile a status report concerning the redevelopment project area. The status report must detail without limitation the following: (i) the amount of revenue generated within the redevelopment project area, (ii) any expenditures made by the municipality for the redevelopment project area including without limitation expenditures from the special tax allocation fund, (iii) the status of planned activities, goals, and objectives set forth in the redevelopment plan including details on new or planned construction within the redevelopment project area, (iv) the amount of private and public investment within the redevelopment project area, and (v) any other relevant evaluation or performance data. Within 30 days after the municipality compiles the status report, the municipality must hold at least one public hearing concerning the report. The municipality must provide 20 days' public notice of the hearing.
- (j) Beginning in fiscal year 2011 and in each fiscal year thereafter, a municipality must detail in its annual budget (i) the revenues generated from redevelopment project areas by source and (ii) the expenditures made by the municipality for redevelopment project areas.
(Source: P.A. 91-357, eff. 7-29-99; 91-478, eff. 11-1-99; 91-900, eff. 7-6-00; 92-263, eff. 8-7-01; 92-624, eff. 7-11-02.)

Section 20. The Economic Development Project Area Tax Increment Allocation Act of 1995 is amended by adding Sections 72 and 74 as follows:

(65 ILCS 110/72 new)

Sec. 72. Status report; hearing. No later than 10 years after the corporate authorities of a municipality adopt an ordinance to establish an economic development project area, the municipality must compile a status report concerning the economic development project area. The status report must detail without limitation the following: (i) the amount of revenue generated within the economic development project area, (ii) any expenditures made by the municipality for the economic development project area including without limitation expenditures from the special tax allocation fund, (iii) the status of planned activities, goals, and objectives set forth in the economic development plan including details on new or planned construction within the economic development project area, (iv) the amount of private and public investment within the economic development project area, and (v) any other relevant evaluation or performance data. Within 30 days after the municipality compiles the status report, the municipality must hold at least one public hearing concerning the report. The municipality must provide 20 days' public notice of the hearing.

(65 ILCS 110/74 new)

Sec. 74. Requirement for annual budget. Beginning in fiscal year 2011 and in each fiscal year thereafter, a municipality must detail in its annual budget (i) the revenues generated from economic development project areas by source and (ii) the expenditures made by the municipality for economic development project areas.

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

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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 Link, **Senate Bill No. 3152**, 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 54; NAYS 2; Present 1.

The following voted in the affirmative:

Bivins	Duffy	Lauzen	Righter
Bomke	Forby	Lightford	Risinger
Bond	Frerichs	Link	Sandoval
Brady	Garrett	Luechtefeld	Schoenberg
Burzynski	Haine	Maloney	Silverstein
Clayborne	Hendon	Martinez	Steans
Collins	Holmes	McCarter	Sullivan
Cronin	Hultgren	Meeks	Syverson
Crotty	Hunter	Millner	Trotter
Dahl	Hutchinson	Muñoz	Viverito
DeLeo	Jones, E.	Murphy	Wilhelmi
Delgado	Jones, J.	Noland	Mr. President
Demuzio	Koehler	Pankau	
Dillard	Kotowski	Radogno	

The following voted in the negative:

Althoff
Jacobs

The following voted present:

Harmon

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.

Senator Althoff asked and obtained unanimous consent for the Journal to reflect her intention to have voted in the affirmative on **Senate Bill No. 3152**.

SENATE BILL RECALLED

On motion of Senator Hunter, **Senate Bill No. 3267** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 2 was postponed in the Committee on Human Services.

Senator Hunter offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO SENATE BILL 3267

AMENDMENT NO. 3. Amend Senate Bill 3267, AS AMENDED, by replacing everything after

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the enacting clause with the following:

"Section 5. The Elder Abuse and Neglect Act is amended by changing Section 3.5 as follows:
(320 ILCS 20/3.5)

Sec. 3.5. Other Responsibilities. The Department shall also be responsible for the following activities, contingent upon adequate funding:

(a) promotion of a wide range of endeavors for the purpose of preventing elder abuse, neglect, financial exploitation, and self-neglect in both domestic and institutional settings, including, but not limited to, promotion of public and professional education to increase awareness of elder abuse, neglect, financial exploitation, and self-neglect, to increase reports, and to improve response by various legal, financial, social, and health systems;

(b) coordination of efforts with other agencies, councils, and like entities, to include but not be limited to, the Office of the Attorney General, the State Police, the Illinois Law Enforcement Training Standards Board, the State Triad, the Illinois Criminal Justice Information Authority, the Departments of Public Health, Public Aid, and Human Services, the Family Violence Coordinating Council, the Illinois Violence Prevention Authority, and other entities which may impact awareness of, and response to, elder abuse, neglect, financial exploitation, and self-neglect;

(c) collection and analysis of data;

(d) monitoring of the performance of regional administrative agencies and elder abuse provider agencies;

(e) promotion of prevention activities;

(f) establishing and coordinating an aggressive training program on the unique nature of elder abuse cases with other agencies, councils, and like entities, to include but not be limited to the Office of the Attorney General, the State Police, the Illinois Law Enforcement Training Standards Board, the State Triad, the Illinois Criminal Justice Information Authority, the State Departments of Public Health, Public Aid, and Human Services, the Family Violence Coordinating Council, the Illinois Violence Prevention Authority, and other entities that may impact awareness of and response to elder abuse, neglect, financial exploitation, and self-neglect;

~~(g) (Blank) solicitation of financial institutions for the purpose of making information available to the general public warning of financial exploitation of the elderly and related financial fraud or abuse, including such information and warnings available through signage or other written materials provided by the Department on the premises of such financial institutions, provided that the manner of displaying or distributing such information is subject to the sole discretion of each financial institution; and~~

(g-1) providing financial institutions with training materials and information concerning financial exploitation of the elderly and related financial fraud or abuse to be used by a financial institution for its personnel with direct customer contact and to be made available to the general public; such information shall include signage or other written materials and shall contain relevant toll-free telephone numbers for reporting such fraud or abuse; the Department shall also develop and make available an online training program for use by financial institution employees with direct customer contact; such online training shall be utilized by financial institutions unless such financial institutions utilize training programs which must minimally include the elements contained in the Department on Aging Program; and

(h) coordinating efforts with utility and electric companies to send notices in utility bills to explain to persons 60 years of age or older their rights regarding telemarketing and home repair fraud.

(Source: P.A. 93-300, eff. 1-1-04; 93-301, eff. 1-1-04; 94-1064, eff. 1-1-07)."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Hunter, **Senate Bill No. 3267**, 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 33; NAYS 14; Present 1.

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The following voted in the affirmative:

Bond	Harmon	Lightford	Silverstein
Clayborne	Hendon	Link	Steans
Collins	Holmes	Maloney	Trotter
Crotty	Hunter	Martinez	Viverito
DeLeo	Hutchinson	Meeks	Wilhelmi
Delgado	Jacobs	Muñoz	Mr. President
Forby	Jones, E.	Noland	
Frerichs	Koehler	Sandoval	
Garrett	Kotowski	Schoenberg	

The following voted in the negative:

Althoff	Dillard	Murphy	Risinger
Bivins	Duffy	Pankau	Syverson
Burzynski	Hultgren	Radogno	
Dahl	Lauzen	Righter	

The following voted present:

Haine

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.

On motion of Senator Lightford, **Senate Bill No. 2996**, 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 55; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Koehler	Pankau
Bivins	Forby	Kotowski	Radogno
Bomke	Frerichs	Lauzen	Righter
Bond	Garrett	Lightford	Sandoval
Burzynski	Haine	Link	Schoenberg
Clayborne	Harmon	Luechtefeld	Silverstein
Collins	Hendon	Maloney	Steans
Cronin	Holmes	Martinez	Sullivan
Crotty	Hultgren	McCarter	Syverson
Dahl	Hunter	Meeks	Trotter
DeLeo	Hutchinson	Millner	Viverito
Delgado	Jacobs	Muñoz	Wilhelmi
Demuzio	Jones, E.	Murphy	Mr. President
Dillard	Jones, J.	Noland	

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.

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SENATE BILL RECALLED

On motion of Senator Lightford, **Senate Bill No. 3266** 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. 1 TO SENATE BILL 3266

AMENDMENT NO. 1. Amend Senate Bill 3266 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 27-23.7 and by adding Sections 27-23.9 and 27-23.10 as follows:

(105 ILCS 5/27-23.7)

Sec. 27-23.7. Bullying prevention ~~education; gang resistance education and training.~~

(a) The General Assembly finds that a safe and civil school environment is necessary for students to learn and achieve and that bullying causes physical, psychological, and emotional harm to students and interferes with students' ability to learn and participate in school activities. The General Assembly further finds that bullying has a negative effect on the social environment of schools, creates a climate of fear among students, inhibits their ability to learn, and leads to other antisocial behavior. Bullying behavior has been linked to other forms of antisocial behavior, such as vandalism, shoplifting, skipping and dropping out of school, fighting, using drugs and alcohol, sexual harassment, and sexual violence. Because of the negative outcomes associated with bullying in schools, the General Assembly finds that school districts and non-public, non-sectarian elementary and secondary schools should educate students, parents, and school district or non-public, non-sectarian elementary or secondary school personnel about what behaviors constitute prohibited bullying.

Bullying on the basis of actual or perceived race, color, religion, sex, national origin, ancestry, age, marital status, physical or mental disability, military status, sexual orientation, gender-related identity or expression, unfavorable discharge from military service, association with a person or group with one or more of the aforementioned actual or perceived characteristics, or any other distinguishing characteristic is prohibited in all school districts and non-public, non-sectarian elementary and secondary schools. No student shall be subjected to bullying:

(1) during any school-sponsored education program or activity;

(2) while in school, on school property, on school buses or other school vehicles, at designated school bus stops waiting for the school bus, or at school-sponsored or school-sanctioned events or activities; or

(3) through the transmission of information from a school computer, a school computer network, or other similar electronic school equipment.

~~The General Assembly further finds that the instance of youth delinquent gangs continues to rise on a statewide basis. Given the higher rates of criminal offending among gang members, as well as the availability of increasingly lethal weapons, the level of criminal activity by gang members has taken on new importance for law enforcement agencies, schools, the community, and prevention efforts.~~

(b) In this Section:

"Bullying" means any severe or pervasive physical or verbal act or conduct, including communications made in writing or electronically, directed toward a student or students that has or can be reasonably predicted to have the effect of one or more of the following:

(1) placing the student or students in reasonable fear of harm to the student's or students' person or property;

(2) causing a substantially detrimental effect on the student's or students' physical or mental health;

(3) substantially interfering with the student's or students' academic performance; or

(4) substantially interfering with the student's or students' ability to participate in or benefit from the services, activities, or privileges provided by a school.

Bullying, as defined in this subsection (b), may take various forms, including without limitation one or more of the following: harassment, threats, intimidation, stalking, physical violence, sexual harassment, sexual violence, theft, public humiliation, destruction of property, or retaliation for asserting or alleging an act of bullying. This list is meant to be illustrative and non-exhaustive.

"School personnel" means persons employed by, on contract with, or who volunteer in a school district or non-public, non-sectarian elementary or secondary school, including without limitation school and school district administrators, teachers, school guidance counselors, school social workers, school

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counselors, school psychologists, school nurses, cafeteria workers, custodians, bus drivers, school resource officers, and security guards.

"Bullying prevention" means and includes instruction in all of the following:

- (1) Intimidation.
- (2) Student victimization.
- (3) Sexual harassment.
- (4) Sexual violence.
- (5) Strategies for student centered problem solving regarding bullying.

"Gang resistance education and training" means and includes instruction in, without limitation, each of the following subject matters when accompanied by a stated objective of reducing gang activity and educating children in grades K through 12 about the consequences of gang involvement:

- (1) Conflict resolution.
- (2) Cultural sensitivity.
- (3) Personal goal setting.
- (4) Resisting peer pressure.

(c) (Blank). Each school district may make suitable provisions for instruction in bullying prevention and gang resistance education and training in all grades and include such instruction in the courses of study regularly taught therein. A school board may collaborate with a community based agency providing specialized curricula in bullying prevention whose ultimate outcome is to prevent sexual violence. For the purposes of gang resistance education and training, a school board must collaborate with State and local law enforcement agencies. The State Board of Education may assist in the development of instructional materials and teacher training in relation to bullying prevention and gang resistance education and training.

(d) Each Beginning 180 days after August 23, 2007 (the effective date of Public Act 95-349), each school district and non-public, non-sectarian elementary or secondary school shall create and maintain a policy on bullying, which policy must be filed with the State Board of Education. Each school district and non-public, non-sectarian elementary or secondary school must communicate its policy on bullying to its students and their parent or guardian on an annual basis. The policy must be updated every 2 years and filed with the State Board of Education after being updated. The State Board of Education shall monitor the implementation of policies created under this subsection (d).

(e) This Section shall not be interpreted to prevent a victim from seeking redress under any other available civil or criminal law. Nothing in this Section is intended to infringe upon any right to exercise free expression or the free exercise of religion or religiously based views protected under the First Amendment to the United States Constitution or under Section 3 or 4 of Article 1 of the Illinois Constitution.

(Source: P.A. 94-937, eff. 6-26-06; 95-198, eff. 1-1-08; 95-349, eff. 8-23-07; 95-876, eff. 8-21-08.)

(105 ILCS 5/27-23.9 new)

(Section scheduled to be repealed on March 2, 2011)

Sec. 27-23.9. School Bullying Prevention Task Force.

(a) In this Section, "Task Force" means the School Bullying Prevention Task Force.

(b) The Task Force is created and charged with exploring the causes and consequences of bullying in schools in this State, identifying promising practices that reduce incidences of bullying, highlighting training and technical assistance opportunities for schools to effectively address bullying, evaluating the effectiveness of schools' current anti-bullying policies and other bullying prevention programs, and other related issues.

(c) Within 60 days after the effective date of this amendatory Act of the 96th General Assembly, the State Superintendent of Education shall appoint 15 members to the Task Force. The membership of the Task Force shall include representatives of State agencies whose work includes bullying prevention or intervention; statewide organizations that focus on violence or bullying prevention or intervention; teachers and management personnel from at least 3 school districts; academics who conduct research on bullying, its consequences to students in grades K through 12, or effective strategies for preventing or addressing bullying; a current high school or college student who has experienced bullying; and others at the State Superintendent's discretion. Members of the Task Force shall serve without compensation.

(d) The State Board of Education shall provide technical assistance for the work of the Task Force.

(e) No later than March 1, 2011, the Task Force shall submit a report to the Governor and the General Assembly on any recommendations for preventing and addressing bullying in schools in this State and a proposed timeline for meeting the Task Force's charges identified in this Section.

(f) This Section is repealed on March 2, 2011.

(105 ILCS 5/27-23.10 new)

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Sec. 27-23.10. Gang resistance education and training.

(a) The General Assembly finds that the instance of youth delinquent gangs continues to rise on a statewide basis. Given the higher rates of criminal offending among gang members, as well as the availability of increasingly lethal weapons, the level of criminal activity by gang members has taken on new importance for law enforcement agencies, schools, the community, and prevention efforts.

(b) As used in this Section:

"Gang resistance education and training" means and includes instruction in, without limitation, each of the following subject matters when accompanied by a stated objective of reducing gang activity and educating children in grades K through 12 about the consequences of gang involvement:

(1) conflict resolution;

(2) cultural sensitivity;

(3) personal goal setting; and

(4) resisting peer pressure.

(c) Each school district and non-public, non-sectarian elementary or secondary school in this State may make suitable provisions for instruction in gang resistance education and training in all grades and include that instruction in the courses of study regularly taught in those grades. For the purposes of gang resistance education and training, a school board or the governing body of a non-public, non-sectarian elementary or secondary school must collaborate with State and local law enforcement agencies. The State Board of Education may assist in the development of instructional materials and teacher training in relation to gang resistance education and training.

Section 90. The State Mandates Act is amended by adding Section 8.34 as follows:

(30 ILCS 805/8.34 new)

Sec. 8.34. 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 96th 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. 1 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 Lightford, **Senate Bill No. 3266**, 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 51; NAYS 2.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Pankau
Bomke	Frerichs	Lauzen	Righter
Bond	Garrett	Lightford	Risinger
Clayborne	Haine	Link	Sandoval
Collins	Harmon	Luechtefeld	Schoenberg
Cronin	Hendon	Maloney	Silverstein
Crotty	Holmes	Martinez	Steans
Dahl	Hultgren	McCarter	Sullivan
DeLeo	Hunter	Meeks	Trotter
Delgado	Hutchinson	Millner	Viverito
Demuzio	Jacobs	Muñoz	Wilhelmi
Dillard	Jones, E.	Murphy	Mr. President
Duffy	Koehler	Noland	

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The following voted in the negative:

Burzynski
Radogno

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 Clayborne, **Senate Bill No. 3344** was recalled from the order of third reading to the order of second reading.

Senator Clayborne offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 3344

AMENDMENT NO. 1. Amend Senate Bill 3344 by replacing everything after the enacting clause with the following:

"Section 5. The State Finance Act is amended by adding Section 5.755 as follows:

(30 ILCS 105/5.755 new)

Sec. 5.755. The Expedited Permitting Fund.

Section 10. The Environmental Protection Act is amended by changing Sections 4 and 39 and by adding Section 39.6 as follows:

(415 ILCS 5/4) (from Ch. 111 1/2, par. 1004)

Sec. 4. Environmental Protection Agency; establishment; duties.

(a) There is established in the Executive Branch of the State Government an agency to be known as the Environmental Protection Agency. This Agency shall be under the supervision and direction of a Director who shall be appointed by the Governor with the advice and consent of the Senate. The term of office of the Director shall expire on the third Monday of January in odd numbered years, provided that he or she shall hold office until a successor is appointed and has qualified. The Director shall receive an annual salary as set by the Compensation Review Board. The Director, in accord with the Personnel Code, shall employ and direct such personnel, and shall provide for such laboratory and other facilities, as may be necessary to carry out the purposes of this Act. In addition, the Director may by agreement secure such services as he or she may deem necessary from any other department, agency, or unit of the State Government, and may employ and compensate such consultants and technical assistants as may be required.

(b) The Agency shall have the duty to collect and disseminate such information, acquire such technical data, and conduct such experiments as may be required to carry out the purposes of this Act, including ascertainment of the quantity and nature of discharges from any contaminant source and data on those sources, and to operate and arrange for the operation of devices for the monitoring of environmental quality.

(c) The Agency shall have authority to conduct a program of continuing surveillance and of regular or periodic inspection of actual or potential contaminant or noise sources, of public water supplies, and of refuse disposal sites.

(d) In accordance with constitutional limitations, the Agency shall have authority to enter at all reasonable times upon any private or public property for the purpose of:

(1) Inspecting and investigating to ascertain possible violations of this Act, any rule or regulation adopted under this Act, any permit or term or condition of a permit, or any Board order; or

(2) In accordance with the provisions of this Act, taking whatever preventive or corrective action, including but not limited to removal or remedial action, that is necessary or appropriate whenever there is a release or a substantial threat of a release of (A) a hazardous substance or pesticide or (B) petroleum from an underground storage tank.

(e) The Agency shall have the duty to investigate violations of this Act, any rule or regulation adopted

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under this Act, any permit or term or condition of a permit, or any Board order; to issue administrative citations as provided in Section 31.1 of this Act; and to take such summary enforcement action as is provided for by Section 34 of this Act.

(f) The Agency shall appear before the Board in any hearing upon a petition for variance, the denial of a permit, or the validity or effect of a rule or regulation of the Board, and shall have the authority to appear before the Board in any hearing under the Act.

(g) The Agency shall have the duty to administer, in accord with Title X of this Act, such permit and certification systems as may be established by this Act or by regulations adopted thereunder. The Agency may enter into written delegation agreements with any department, agency, or unit of State or local government under which all or portions of this duty may be delegated for public water supply storage and transport systems, sewage collection and transport systems, air pollution control sources with uncontrolled emissions of 100 tons per year or less and application of algicides to waters of the State. Such delegation agreements will require that the work to be performed thereunder will be in accordance with Agency criteria, subject to Agency review, and shall include such financial and program auditing by the Agency as may be required.

(h) The Agency shall have authority to require the submission of complete plans and specifications from any applicant for a permit required by this Act or by regulations thereunder, and to require the submission of such reports regarding actual or potential violations of this Act, any rule or regulation adopted under this Act, any permit or term or condition of a permit, or any Board order, as may be necessary for the purposes of this Act.

(i) The Agency shall have authority to make recommendations to the Board for the adoption of regulations under Title VII of the Act.

(j) The Agency shall have the duty to represent the State of Illinois in any and all matters pertaining to plans, procedures, or negotiations for interstate compacts or other governmental arrangements relating to environmental protection.

(k) The Agency shall have the authority to accept, receive, and administer on behalf of the State any grants, gifts, loans, indirect cost reimbursements, or other funds made available to the State from any source for purposes of this Act or for air or water pollution control, public water supply, solid waste disposal, noise abatement, or other environmental protection activities, surveys, or programs. Any federal funds received by the Agency pursuant to this subsection shall be deposited in a trust fund with the State Treasurer and held and disbursed by him in accordance with Treasurer as Custodian of Funds Act, provided that such monies shall be used only for the purposes for which they are contributed and any balance remaining shall be returned to the contributor.

The Agency is authorized to promulgate such regulations and enter into such contracts as it may deem necessary for carrying out the provisions of this subsection.

(l) The Agency is hereby designated as water pollution agency for the state for all purposes of the Federal Water Pollution Control Act, as amended; as implementing agency for the State for all purposes of the Safe Drinking Water Act, Public Law 93-523, as now or hereafter amended, except Section 1425 of that Act; as air pollution agency for the state for all purposes of the Clean Air Act of 1970, Public Law 91-604, approved December 31, 1970, as amended; and as solid waste agency for the state for all purposes of the Solid Waste Disposal Act, Public Law 89-272, approved October 20, 1965, and amended by the Resource Recovery Act of 1970, Public Law 91-512, approved October 26, 1970, as amended, and amended by the Resource Conservation and Recovery Act of 1976, (P.L. 94-580) approved October 21, 1976, as amended; as noise control agency for the state for all purposes of the Noise Control Act of 1972, Public Law 92-574, approved October 27, 1972, as amended; and as implementing agency for the State for all purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (P.L. 96-510), as amended; and otherwise as pollution control agency for the State pursuant to federal laws integrated with the foregoing laws, for financing purposes or otherwise. The Agency is hereby authorized to take all action necessary or appropriate to secure to the State the benefits of such federal Acts, provided that the Agency shall transmit to the United States without change any standards adopted by the Pollution Control Board pursuant to Section 5(c) of this Act. This subsection (l) of Section 4 shall not be construed to bar or prohibit the Environmental Protection Trust Fund Commission from accepting, receiving, and administering on behalf of the State any grants, gifts, loans or other funds for which the Commission is eligible pursuant to the Environmental Protection Trust Fund Act. The Agency is hereby designated as the State agency for all purposes of administering the requirements of Section 313 of the federal Emergency Planning and Community Right-to-Know Act of 1986.

Any municipality, sanitary district, or other political subdivision, or any Agency of the State or interstate Agency, which makes application for loans or grants under such federal Acts shall notify the Agency of such application; the Agency may participate in proceedings under such federal Acts.

(m) The Agency shall have authority, consistent with Section 5(c) and other provisions of this Act, and for purposes of Section 303(e) of the Federal Water Pollution Control Act, as now or hereafter amended, to engage in planning processes and activities and to develop plans in cooperation with units of local government, state agencies and officers, and other appropriate persons in connection with the jurisdiction or duties of each such unit, agency, officer or person. Public hearings shall be held on the planning process, at which any person shall be permitted to appear and be heard, pursuant to procedural regulations promulgated by the Agency.

(n) In accordance with the powers conferred upon the Agency by Sections 10(g), 13(b), 19, 22(d) and 25 of this Act, the Agency shall have authority to establish and enforce minimum standards for the operation of laboratories relating to analyses and laboratory tests for air pollution, water pollution, noise emissions, contaminant discharges onto land and sanitary, chemical, and mineral quality of water distributed by a public water supply. The Agency may enter into formal working agreements with other departments or agencies of state government under which all or portions of this authority may be delegated to the cooperating department or agency.

(o) The Agency shall have the authority to issue certificates of competency to persons and laboratories meeting the minimum standards established by the Agency in accordance with Section 4(n) of this Act and to promulgate and enforce regulations relevant to the issuance and use of such certificates. The Agency may enter into formal working agreements with other departments or agencies of state government under which all or portions of this authority may be delegated to the cooperating department or agency.

(p) Except as provided in Section 17.7, the Agency shall have the duty to analyze samples as required from each public water supply to determine compliance with the contaminant levels specified by the Pollution Control Board. The maximum number of samples which the Agency shall be required to analyze for microbiological quality shall be 6 per month, but the Agency may, at its option, analyze a larger number each month for any supply. Results of sample analyses for additional required bacteriological testing, turbidity, residual chlorine and radionuclides are to be provided to the Agency in accordance with Section 19. Owners of water supplies may enter into agreements with the Agency to provide for reduced Agency participation in sample analyses.

(q) The Agency shall have the authority to provide notice to any person who may be liable pursuant to Section 22.2(f) of this Act for a release or a substantial threat of a release of a hazardous substance or pesticide. Such notice shall include the identified response action and an opportunity for such person to perform the response action.

(r) The Agency may enter into written delegation agreements with any unit of local government under which it may delegate all or portions of its inspecting, investigating and enforcement functions. Such delegation agreements shall require that work performed thereunder be in accordance with Agency criteria and subject to Agency review. Notwithstanding any other provision of law to the contrary, no unit of local government shall be liable for any injury resulting from the exercise of its authority pursuant to such a delegation agreement unless the injury is proximately caused by the willful and wanton negligence of an agent or employee of the unit of local government, and any policy of insurance coverage issued to a unit of local government may provide for the denial of liability and the nonpayment of claims based upon injuries for which the unit of local government is not liable pursuant to this subsection (r).

(s) The Agency shall have authority to take whatever preventive or corrective action is necessary or appropriate, including but not limited to expenditure of monies appropriated from the Build Illinois Bond Fund and the Build Illinois Purposes Fund for removal or remedial action, whenever any hazardous substance or pesticide is released or there is a substantial threat of such a release into the environment. The State, the Director, and any State employee shall be indemnified for any damages or injury arising out of or resulting from any action taken under this subsection. The Director of the Agency is authorized to enter into such contracts and agreements as are necessary to carry out the Agency's duties under this subsection.

(t) The Agency shall have authority to distribute grants, subject to appropriation by the General Assembly, to units of local government for financing and construction of wastewater facilities in both incorporated and unincorporated areas. With respect to all monies appropriated from the Build Illinois Bond Fund and the Build Illinois Purposes Fund for wastewater facility grants, the Agency shall make distributions in conformity with the rules and regulations established pursuant to the Anti-Pollution Bond Act, as now or hereafter amended.

(u) Pursuant to the Illinois Administrative Procedure Act, the Agency shall have the authority to adopt such rules as are necessary or appropriate for the Agency to implement Section 31.1 of this Act.

(v) (Blank.)

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(w) Neither the State, nor the Director, nor the Board, nor any State employee shall be liable for any damages or injury arising out of or resulting from any action taken under subsection (s).

(x)(1) The Agency shall have authority to distribute grants, subject to appropriation by the General Assembly, to units of local government for financing and construction of public water supply facilities. With respect to all monies appropriated from the Build Illinois Bond Fund or the Build Illinois Purposes Fund for public water supply grants, such grants shall be made in accordance with rules promulgated by the Agency. Such rules shall include a requirement for a local match of 30% of the total project cost for projects funded through such grants.

(2) The Agency shall not terminate a grant to a unit of local government for the financing and construction of public water supply facilities unless and until the Agency adopts rules that set forth precise and complete standards, pursuant to Section 5-20 of the Illinois Administrative Procedure Act, for the termination of such grants. The Agency shall not make determinations on whether specific grant conditions are necessary to ensure the integrity of a project or on whether subagreements shall be awarded, with respect to grants for the financing and construction of public water supply facilities, unless and until the Agency adopts rules that set forth precise and complete standards, pursuant to Section 5-20 of the Illinois Administrative Procedure Act, for making such determinations. The Agency shall not issue a stop-work order in relation to such grants unless and until the Agency adopts precise and complete standards, pursuant to Section 5-20 of the Illinois Administrative Procedure Act, for determining whether to issue a stop-work order.

(y) The Agency shall have authority to release any person from further responsibility for preventive or corrective action under this Act following successful completion of preventive or corrective action undertaken by such person upon written request by the person.

(z) To the extent permitted by any applicable federal law or regulation, for all work performed for State construction projects which are funded in whole or in part by a capital infrastructure bill enacted by the 96th General Assembly by sums appropriated to the Environmental Protection Agency, at least 50% of the total labor hours must be performed by actual residents of the State of Illinois. For purposes of this subsection, "actual residents of the State of Illinois" means persons domiciled in the State of Illinois. The Department of Labor shall promulgate rules providing for the enforcement of this subsection.

(aa) The Agency shall create a permit expediting unit for the purpose of implementing an expedited permitting process for air and water construction permits within 6 months after the effective date of this amendatory Act of the 96th General Assembly.

(1) Permit applicants may access the expedited permitting process if the permit is necessary to commence a construction or maintenance project that results in an investment by the applicant of at least \$10 million and the applicant pays an expedited permit fee, to be established by the Agency by regulation, but not to exceed 200% of the standard fee for an unexpedited permit. The amount of the fee in excess of a standard permit fee shall be payable only upon final permit issuance. All fees collected by the Agency under this Section shall be deposited into the Expedited Permit Fund, which is hereby created as a special fund in the State treasury.

Subject to appropriation, the moneys in the Fund shall be used by the Agency to carry out the Agency's expedited permitting activities.

(2) The Agency shall issue an expedited final permit no more than 120 days after the date the Agency has deemed the application to be complete. If for any reason a permit is not issued within 120 days, the permit applicant's expedited permit fee shall be reduced to the standard permit fee.

(Source: P.A. 96-37, eff. 7-13-09; 96-503, eff. 8-14-09; 96-800, eff. 10-30-09; revised 11-23-09.)

(415 ILCS 5/39) (from Ch. 111 1/2, par. 1039)

Sec. 39. Issuance of permits; procedures.

(a) When the Board has by regulation required a permit for the construction, installation, or operation of any type of facility, equipment, vehicle, vessel, or aircraft, the applicant shall apply to the Agency for such permit and it shall be the duty of the Agency to issue such a permit upon proof by the applicant that the facility, equipment, vehicle, vessel, or aircraft will not cause a violation of this Act or of regulations hereunder. The Agency shall adopt such procedures as are necessary to carry out its duties under this Section. In making its determinations on permit applications under this Section the Agency may consider prior adjudications of noncompliance with this Act by the applicant that involved a release of a contaminant into the environment. In granting permits, the Agency may impose reasonable conditions specifically related to the applicant's past compliance history with this Act as necessary to correct, detect, or prevent noncompliance. The Agency may impose such other conditions as may be necessary to accomplish the purposes of this Act, and as are not inconsistent with the regulations promulgated by the Board hereunder. Except as otherwise provided in this Act, a bond or other security shall not be required as a condition for the issuance of a permit. If the Agency denies any permit under this Section, the

Agency shall transmit to the applicant within the time limitations of this Section specific, detailed statements as to the reasons the permit application was denied. Such statements shall include, but not be limited to the following:

- (i) the Sections of this Act which may be violated if the permit were granted;
- (ii) the provision of the regulations, promulgated under this Act, which may be violated if the permit were granted;
- (iii) the specific type of information, if any, which the Agency deems the applicant did not provide the Agency; and
- (iv) a statement of specific reasons why the Act and the regulations might not be met if the permit were granted.

If there is no final action by the Agency within 90 days after the filing of the application for permit, the applicant may deem the permit issued; except that this time period shall be extended to 180 days when (1) notice and opportunity for public hearing are required by State or federal law or regulation, (2) the application which was filed is for any permit to develop a landfill subject to issuance pursuant to this subsection, or (3) the application that was filed is for a MSWLF unit required to issue public notice under subsection (p) of Section 39. The 90-day and 180-day time periods for the Agency to take final action do not apply to NPDES permit applications under subsection (b) of this Section, to RCRA permit applications under subsection (d) of this Section, or to UIC permit applications under subsection (e) of this Section.

The Agency shall publish notice of all final permit determinations for development permits for MSWLF units and for significant permit modifications for lateral expansions for existing MSWLF units one time in a newspaper of general circulation in the county in which the unit is or is proposed to be located.

After January 1, 1994 and until July 1, 1998, operating permits issued under this Section by the Agency for sources of air pollution permitted to emit less than 25 tons per year of any combination of regulated air pollutants, as defined in Section 39.5 of this Act, shall be required to be renewed only upon written request by the Agency consistent with applicable provisions of this Act and regulations promulgated hereunder. Such operating permits shall expire 180 days after the date of such a request. The Board shall revise its regulations for the existing State air pollution operating permit program consistent with this provision by January 1, 1994.

After June 30, 1998, operating permits issued under this Section by the Agency for sources of air pollution that are not subject to Section 39.5 of this Act and are not required to have a federally enforceable State operating permit shall be required to be renewed only upon written request by the Agency consistent with applicable provisions of this Act and its rules. Such operating permits shall expire 180 days after the date of such a request. Before July 1, 1998, the Board shall revise its rules for the existing State air pollution operating permit program consistent with this paragraph and shall adopt rules that require a source to demonstrate that it qualifies for a permit under this paragraph.

The Agency shall, within 6 months after the effective date of this amendatory Act of the 96th General Assembly, form and convene a stakeholders group for the purpose of creating a priority list of suitable categories of sources to focus efforts in developing general permits. Upon completion of the priority list, within 12 months, the Agency shall have finalized at least 5 general permits, with an additional 5 to be finalized after 24 months, and another 5 after 36 months. The existence of a general permit for a particular source category shall not preclude an owner or operator of a facility from pursuing a facility-specific permit.

(b) The Agency may issue NPDES permits exclusively under this subsection for the discharge of contaminants from point sources into navigable waters, all as defined in the Federal Water Pollution Control Act, as now or hereafter amended, within the jurisdiction of the State, or into any well.

All NPDES permits shall contain those terms and conditions, including but not limited to schedules of compliance, which may be required to accomplish the purposes and provisions of this Act.

The Agency may issue general NPDES permits for discharges from categories of point sources which are subject to the same permit limitations and conditions. Such general permits may be issued without individual applications and shall conform to regulations promulgated under Section 402 of the Federal Water Pollution Control Act, as now or hereafter amended.

The Agency may include, among such conditions, effluent limitations and other requirements established under this Act, Board regulations, the Federal Water Pollution Control Act, as now or hereafter amended, and regulations pursuant thereto, and schedules for achieving compliance therewith at the earliest reasonable date.

The Agency shall adopt filing requirements and procedures which are necessary and appropriate for the issuance of NPDES permits, and which are consistent with the Act or regulations adopted by the

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Board, and with the Federal Water Pollution Control Act, as now or hereafter amended, and regulations pursuant thereto.

The Agency, subject to any conditions which may be prescribed by Board regulations, may issue NPDES permits to allow discharges beyond deadlines established by this Act or by regulations of the Board without the requirement of a variance, subject to the Federal Water Pollution Control Act, as now or hereafter amended, and regulations pursuant thereto.

The Agency shall adopt an expedited process for those NPDES permit renewals if the applicant determines and certifies that no change necessitating a permit revision has occurred to:

(1) any applicable State or federal statute or regulation; or

(2) the characteristics of the permitted discharge.

The Agency shall adopt guidance to assist applicants in making such determinations.

(c) Except for those facilities owned or operated by sanitary districts organized under the Metropolitan Water Reclamation District Act, no permit for the development or construction of a new pollution control facility may be granted by the Agency unless the applicant submits proof to the Agency that the location of the facility has been approved by the County Board of the county if in an unincorporated area, or the governing body of the municipality when in an incorporated area, in which the facility is to be located in accordance with Section 39.2 of this Act. For purposes of this subsection (c), and for purposes of Section 39.2 of this Act, the appropriate county board or governing body of the municipality shall be the county board of the county or the governing body of the municipality in which the facility is to be located as of the date when the application for siting approval is filed.

In the event that siting approval granted pursuant to Section 39.2 has been transferred to a subsequent owner or operator, that subsequent owner or operator may apply to the Agency for, and the Agency may grant, a development or construction permit for the facility for which local siting approval was granted. Upon application to the Agency for a development or construction permit by that subsequent owner or operator, the permit applicant shall cause written notice of the permit application to be served upon the appropriate county board or governing body of the municipality that granted siting approval for that facility and upon any party to the siting proceeding pursuant to which siting approval was granted. In that event, the Agency shall conduct an evaluation of the subsequent owner or operator's prior experience in waste management operations in the manner conducted under subsection (i) of Section 39 of this Act.

Beginning August 20, 1993, if the pollution control facility consists of a hazardous or solid waste disposal facility for which the proposed site is located in an unincorporated area of a county with a population of less than 100,000 and includes all or a portion of a parcel of land that was, on April 1, 1993, adjacent to a municipality having a population of less than 5,000, then the local siting review required under this subsection (c) in conjunction with any permit applied for after that date shall be performed by the governing body of that adjacent municipality rather than the county board of the county in which the proposed site is located; and for the purposes of that local siting review, any references in this Act to the county board shall be deemed to mean the governing body of that adjacent municipality; provided, however, that the provisions of this paragraph shall not apply to any proposed site which was, on April 1, 1993, owned in whole or in part by another municipality.

In the case of a pollution control facility for which a development permit was issued before November 12, 1981, if an operating permit has not been issued by the Agency prior to August 31, 1989 for any portion of the facility, then the Agency may not issue or renew any development permit nor issue an original operating permit for any portion of such facility unless the applicant has submitted proof to the Agency that the location of the facility has been approved by the appropriate county board or municipal governing body pursuant to Section 39.2 of this Act.

After January 1, 1994, if a solid waste disposal facility, any portion for which an operating permit has been issued by the Agency, has not accepted waste disposal for 5 or more consecutive calendars years, before that facility may accept any new or additional waste for disposal, the owner and operator must obtain a new operating permit under this Act for that facility unless the owner and operator have applied to the Agency for a permit authorizing the temporary suspension of waste acceptance. The Agency may not issue a new operation permit under this Act for the facility unless the applicant has submitted proof to the Agency that the location of the facility has been approved or re-approved by the appropriate county board or municipal governing body under Section 39.2 of this Act after the facility ceased accepting waste.

Except for those facilities owned or operated by sanitary districts organized under the Metropolitan Water Reclamation District Act, and except for new pollution control facilities governed by Section 39.2, and except for fossil fuel mining facilities, the granting of a permit under this Act shall not relieve the applicant from meeting and securing all necessary zoning approvals from the unit of government

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having zoning jurisdiction over the proposed facility.

Before beginning construction on any new sewage treatment plant or sludge drying site to be owned or operated by a sanitary district organized under the Metropolitan Water Reclamation District Act for which a new permit (rather than the renewal or amendment of an existing permit) is required, such sanitary district shall hold a public hearing within the municipality within which the proposed facility is to be located, or within the nearest community if the proposed facility is to be located within an unincorporated area, at which information concerning the proposed facility shall be made available to the public, and members of the public shall be given the opportunity to express their views concerning the proposed facility.

The Agency may issue a permit for a municipal waste transfer station without requiring approval pursuant to Section 39.2 provided that the following demonstration is made:

- (1) the municipal waste transfer station was in existence on or before January 1, 1979 and was in continuous operation from January 1, 1979 to January 1, 1993;
 - (2) the operator submitted a permit application to the Agency to develop and operate the municipal waste transfer station during April of 1994;
 - (3) the operator can demonstrate that the county board of the county, if the municipal waste transfer station is in an unincorporated area, or the governing body of the municipality, if the station is in an incorporated area, does not object to resumption of the operation of the station; and
 - (4) the site has local zoning approval.
- (d) The Agency may issue RCRA permits exclusively under this subsection to persons owning or operating a facility for the treatment, storage, or disposal of hazardous waste as defined under this Act.

All RCRA permits shall contain those terms and conditions, including but not limited to schedules of compliance, which may be required to accomplish the purposes and provisions of this Act. The Agency may include among such conditions standards and other requirements established under this Act, Board regulations, the Resource Conservation and Recovery Act of 1976 (P.L. 94-580), as amended, and regulations pursuant thereto, and may include schedules for achieving compliance therewith as soon as possible. The Agency shall require that a performance bond or other security be provided as a condition for the issuance of a RCRA permit.

In the case of a permit to operate a hazardous waste or PCB incinerator as defined in subsection (k) of Section 44, the Agency shall require, as a condition of the permit, that the operator of the facility perform such analyses of the waste to be incinerated as may be necessary and appropriate to ensure the safe operation of the incinerator.

The Agency shall adopt filing requirements and procedures which are necessary and appropriate for the issuance of RCRA permits, and which are consistent with the Act or regulations adopted by the Board, and with the Resource Conservation and Recovery Act of 1976 (P.L. 94-580), as amended, and regulations pursuant thereto.

The applicant shall make available to the public for inspection all documents submitted by the applicant to the Agency in furtherance of an application, with the exception of trade secrets, at the office of the county board or governing body of the municipality. Such documents may be copied upon payment of the actual cost of reproduction during regular business hours of the local office. The Agency shall issue a written statement concurrent with its grant or denial of the permit explaining the basis for its decision.

(e) The Agency may issue UIC permits exclusively under this subsection to persons owning or operating a facility for the underground injection of contaminants as defined under this Act.

All UIC permits shall contain those terms and conditions, including but not limited to schedules of compliance, which may be required to accomplish the purposes and provisions of this Act. The Agency may include among such conditions standards and other requirements established under this Act, Board regulations, the Safe Drinking Water Act (P.L. 93-523), as amended, and regulations pursuant thereto, and may include schedules for achieving compliance therewith. The Agency shall require that a performance bond or other security be provided as a condition for the issuance of a UIC permit.

The Agency shall adopt filing requirements and procedures which are necessary and appropriate for the issuance of UIC permits, and which are consistent with the Act or regulations adopted by the Board, and with the Safe Drinking Water Act (P.L. 93-523), as amended, and regulations pursuant thereto.

The applicant shall make available to the public for inspection, all documents submitted by the applicant to the Agency in furtherance of an application, with the exception of trade secrets, at the office of the county board or governing body of the municipality. Such documents may be copied upon payment of the actual cost of reproduction during regular business hours of the local office. The Agency shall issue a written statement concurrent with its grant or denial of the permit explaining the basis for its decision.

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(f) In making any determination pursuant to Section 9.1 of this Act:

(1) The Agency shall have authority to make the determination of any question required to be determined by the Clean Air Act, as now or hereafter amended, this Act, or the regulations of the Board, including the determination of the Lowest Achievable Emission Rate, Maximum Achievable Control Technology, or Best Available Control Technology, consistent with the Board's regulations, if any.

(2) The Agency shall, after conferring with the applicant, give written notice to the applicant of its proposed decision on the application including the terms and conditions of the permit to be issued and the facts, conduct or other basis upon which the Agency will rely to support its proposed action.

(3) Following such notice, the Agency shall give the applicant an opportunity for a hearing in accordance with the provisions of Sections 10-25 through 10-60 of the Illinois Administrative Procedure Act.

(g) The Agency shall include as conditions upon all permits issued for hazardous waste disposal sites such restrictions upon the future use of such sites as are reasonably necessary to protect public health and the environment, including permanent prohibition of the use of such sites for purposes which may create an unreasonable risk of injury to human health or to the environment. After administrative and judicial challenges to such restrictions have been exhausted, the Agency shall file such restrictions of record in the Office of the Recorder of the county in which the hazardous waste disposal site is located.

(h) A hazardous waste stream may not be deposited in a permitted hazardous waste site unless specific authorization is obtained from the Agency by the generator and disposal site owner and operator for the deposit of that specific hazardous waste stream. The Agency may grant specific authorization for disposal of hazardous waste streams only after the generator has reasonably demonstrated that, considering technological feasibility and economic reasonableness, the hazardous waste cannot be reasonably recycled for reuse, nor incinerated or chemically, physically or biologically treated so as to neutralize the hazardous waste and render it nonhazardous. In granting authorization under this Section, the Agency may impose such conditions as may be necessary to accomplish the purposes of the Act and are consistent with this Act and regulations promulgated by the Board hereunder. If the Agency refuses to grant authorization under this Section, the applicant may appeal as if the Agency refused to grant a permit, pursuant to the provisions of subsection (a) of Section 40 of this Act. For purposes of this subsection (h), the term "generator" has the meaning given in Section 3.205 of this Act, unless: (1) the hazardous waste is treated, incinerated, or partially recycled for reuse prior to disposal, in which case the last person who treats, incinerates, or partially recycles the hazardous waste prior to disposal is the generator; or (2) the hazardous waste is from a response action, in which case the person performing the response action is the generator. This subsection (h) does not apply to any hazardous waste that is restricted from land disposal under 35 Ill. Adm. Code 728.

(i) Before issuing any RCRA permit, any permit for a waste storage site, sanitary landfill, waste disposal site, waste transfer station, waste treatment facility, waste incinerator, or any waste-transportation operation, or any permit or interim authorization for a clean construction or demolition debris fill operation, the Agency shall conduct an evaluation of the prospective owner's or operator's prior experience in waste management operations and clean construction or demolition debris fill operations. The Agency may deny such a permit, or deny or revoke interim authorization, if the prospective owner or operator or any employee or officer of the prospective owner or operator has a history of:

(1) repeated violations of federal, State, or local laws, regulations, standards, or ordinances in the operation of waste management facilities or sites or clean construction or demolition debris fill operation facilities or sites; or

(2) conviction in this or another State of any crime which is a felony under the laws of this State, or conviction of a felony in a federal court; or conviction in this or another state or federal court of any of the following crimes: forgery, official misconduct, bribery, perjury, or knowingly submitting false information under any environmental law, regulation, or permit term or condition; or

(3) proof of gross carelessness or incompetence in handling, storing, processing, transporting or disposing of waste or clean construction or demolition debris, or proof of gross carelessness or incompetence in using clean construction or demolition debris as fill.

(i-5) Before issuing any permit or approving any interim authorization for a clean construction or demolition debris fill operation in which any ownership interest is transferred between January 1, 2005, and the effective date of the prohibition set forth in Section 22.52 of this Act, the Agency shall conduct an evaluation of the operation if any previous activities at the site or facility may have caused or allowed contamination of the site. It shall be the responsibility of the owner or operator seeking the permit or

interim authorization to provide to the Agency all of the information necessary for the Agency to conduct its evaluation. The Agency may deny a permit or interim authorization if previous activities at the site may have caused or allowed contamination at the site, unless such contamination is authorized under any permit issued by the Agency.

(j) The issuance under this Act of a permit to engage in the surface mining of any resources other than fossil fuels shall not relieve the permittee from its duty to comply with any applicable local law regulating the commencement, location or operation of surface mining facilities.

(k) A development permit issued under subsection (a) of Section 39 for any facility or site which is required to have a permit under subsection (d) of Section 21 shall expire at the end of 2 calendar years from the date upon which it was issued, unless within that period the applicant has taken action to develop the facility or the site. In the event that review of the conditions of the development permit is sought pursuant to Section 40 or 41, or permittee is prevented from commencing development of the facility or site by any other litigation beyond the permittee's control, such two-year period shall be deemed to begin on the date upon which such review process or litigation is concluded.

(l) No permit shall be issued by the Agency under this Act for construction or operation of any facility or site located within the boundaries of any setback zone established pursuant to this Act, where such construction or operation is prohibited.

(m) The Agency may issue permits to persons owning or operating a facility for composting landscape waste. In granting such permits, the Agency may impose such conditions as may be necessary to accomplish the purposes of this Act, and as are not inconsistent with applicable regulations promulgated by the Board. Except as otherwise provided in this Act, a bond or other security shall not be required as a condition for the issuance of a permit. If the Agency denies any permit pursuant to this subsection, the Agency shall transmit to the applicant within the time limitations of this subsection specific, detailed statements as to the reasons the permit application was denied. Such statements shall include but not be limited to the following:

- (1) the Sections of this Act that may be violated if the permit were granted;
- (2) the specific regulations promulgated pursuant to this Act that may be violated if the permit were granted;
- (3) the specific information, if any, the Agency deems the applicant did not provide in its application to the Agency; and
- (4) a statement of specific reasons why the Act and the regulations might be violated if the permit were granted.

If no final action is taken by the Agency within 90 days after the filing of the application for permit, the applicant may deem the permit issued. Any applicant for a permit may waive the 90 day limitation by filing a written statement with the Agency.

The Agency shall issue permits for such facilities upon receipt of an application that includes a legal description of the site, a topographic map of the site drawn to the scale of 200 feet to the inch or larger, a description of the operation, including the area served, an estimate of the volume of materials to be processed, and documentation that:

- (1) the facility includes a setback of at least 200 feet from the nearest potable water supply well;
- (2) the facility is located outside the boundary of the 10-year floodplain or the site will be floodproofed;
- (3) the facility is located so as to minimize incompatibility with the character of the surrounding area, including at least a 200 foot setback from any residence, and in the case of a facility that is developed or the permitted composting area of which is expanded after November 17, 1991, the composting area is located at least 1/8 mile from the nearest residence (other than a residence located on the same property as the facility);
- (4) the design of the facility will prevent any compost material from being placed within 5 feet of the water table, will adequately control runoff from the site, and will collect and manage any leachate that is generated on the site;
- (5) the operation of the facility will include appropriate dust and odor control measures, limitations on operating hours, appropriate noise control measures for shredding, chipping and similar equipment, management procedures for composting, containment and disposal of non-compostable wastes, procedures to be used for terminating operations at the site, and recordkeeping sufficient to document the amount of materials received, composted and otherwise disposed of; and
- (6) the operation will be conducted in accordance with any applicable rules adopted by the Board.

[March 24, 2010]

The Agency shall issue renewable permits of not longer than 10 years in duration for the composting of landscape wastes, as defined in Section 3.155 of this Act, based on the above requirements.

The operator of any facility permitted under this subsection (m) must submit a written annual statement to the Agency on or before April 1 of each year that includes an estimate of the amount of material, in tons, received for composting.

(n) The Agency shall issue permits jointly with the Department of Transportation for the dredging or deposit of material in Lake Michigan in accordance with Section 18 of the Rivers, Lakes, and Streams Act.

(o) (Blank.)

(p) (1) Any person submitting an application for a permit for a new MSWLF unit or for a lateral expansion under subsection (t) of Section 21 of this Act for an existing MSWLF unit that has not received and is not subject to local siting approval under Section 39.2 of this Act shall publish notice of the application in a newspaper of general circulation in the county in which the MSWLF unit is or is proposed to be located. The notice must be published at least 15 days before submission of the permit application to the Agency. The notice shall state the name and address of the applicant, the location of the MSWLF unit or proposed MSWLF unit, the nature and size of the MSWLF unit or proposed MSWLF unit, the nature of the activity proposed, the probable life of the proposed activity, the date the permit application will be submitted, and a statement that persons may file written comments with the Agency concerning the permit application within 30 days after the filing of the permit application unless the time period to submit comments is extended by the Agency.

When a permit applicant submits information to the Agency to supplement a permit application being reviewed by the Agency, the applicant shall not be required to reissue the notice under this subsection.

(2) The Agency shall accept written comments concerning the permit application that are postmarked no later than 30 days after the filing of the permit application, unless the time period to accept comments is extended by the Agency.

(3) Each applicant for a permit described in part (1) of this subsection shall file a copy of the permit application with the county board or governing body of the municipality in which the MSWLF unit is or is proposed to be located at the same time the application is submitted to the Agency. The permit application filed with the county board or governing body of the municipality shall include all documents submitted to or to be submitted to the Agency, except trade secrets as determined under Section 7.1 of this Act. The permit application and other documents on file with the county board or governing body of the municipality shall be made available for public inspection during regular business hours at the office of the county board or the governing body of the municipality and may be copied upon payment of the actual cost of reproduction.

(Source: P.A. 94-272, eff. 7-19-05; 94-725, eff. 6-1-06; 95-288, eff. 8-20-07.)

(415 ILCS 5/39.6 new)

Sec. 39.6. Air permits by rule.

(a) The Board may, by rule, adopt construction and operating air permits for classes of facilities or equipment. The Board may not, by rule, adopt an air permit authorizing construction of any facility defined as a "major source" under any applicable preconstruction permitting requirements of the federal Clean Air Act or regulations adopted under that Act. Proposals for permits authorized under this Section may be filed by any person.

(b) The Board shall, by rule, specifically define the terms and conditions for obtaining a permit under this Section.

(c) The Agency shall issue permits to the owners or operators of facilities or equipment that satisfy the requirements established by Board rule under this Section, upon notification of the Agency of the owner or operator's intent to construct and operate under a permit established under this Section.

(d) The Board shall expedite the rulemakings for permits under this Section.

(e) The existence of a permit by rule for a particular class of facility or equipment shall not preclude an owner or operator of a facility or equipment from pursuing an individual permit specifically for that facility or equipment."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILLS OF THE SENATE A THIRD TIME

[March 24, 2010]

On motion of Senator Clayborne, **Senate Bill No. 3344**, 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	Lauzen	Risinger
Bivins	Frerichs	Lightford	Sandoval
Bomke	Garrett	Link	Schoenberg
Bond	Haine	Luechtefeld	Silverstein
Burzynski	Harmon	Maloney	Steans
Clayborne	Hendon	Martinez	Sullivan
Collins	Holmes	McCarter	Syverson
Cronin	Hultgren	Meeks	Trotter
Crotty	Hunter	Millner	Viverito
Dahl	Hutchinson	Muñoz	Wilhelmi
DeLeo	Jacobs	Murphy	Mr. President
Delgado	Jones, E.	Noland	
Demuzio	Jones, J.	Pankau	
Dillard	Koehler	Radogno	
Duffy	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 therein.

On motion of Senator Syverson, **Senate Bill No. 3619**, 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; NAY 1.

The following voted in the affirmative:

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

The following voted in the negative:

[March 24, 2010]

Burzynski

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.

On motion of Senator Noland, **Senate Bill No. 3702**, 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 34; NAYS 20.

The following voted in the affirmative:

Bond	Garrett	Lightford	Silverstein
Clayborne	Harmon	Link	Steans
Collins	Hendon	Maloney	Sullivan
Crotty	Holmes	Martinez	Trotter
DeLeo	Hunter	Meeks	Viverito
Delgado	Hutchinson	Muñoz	Wilhelmi
Demuzio	Jones, E.	Noland	Mr. President
Forby	Koehler	Sandoval	
Frerichs	Kotowski	Schoenberg	

The following voted in the negative:

Althoff	Dillard	Luechtefeld	Risinger
Bivins	Duffy	McCarter	Syverson
Bomke	Haine	Murphy	
Burzynski	Hultgren	Pankau	
Cronin	Jones, J.	Radogno	
Dahl	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 therein.

At the hour of 6:32 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 7:47 o'clock p.m., the Senate resumed consideration of business.
Senator DeLeo, presiding.

REPORTS FROM STANDING COMMITTEES

Senator Trotter, Chairperson of the Committee on Appropriations I, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to House Bill 859

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

[March 24, 2010]

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 1 to Senate Bill 1578; Motion to Concur in House Amendments 1 and 4 to Senate Bill 1946

Under the rules, the foregoing motions are eligible for consideration by the Senate.

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. 1182

A bill for AN ACT concerning appropriations.

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. 2 to SENATE BILL NO. 1182

Passed the House, as amended, March 24, 2010.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 2 SENATE BILL 1182

AMENDMENT NO. 2. Amend Senate Bill 1182, by deleting everything after the enacting clause and inserting the following:

“ARTICLE 1

Section 10. “AN ACT concerning appropriations”, Public Act 96-0046, approved July 15, 2009, is amended by changing Sections 25 and 30 of Article 19 as follows:

(P.A. 96-0046, Art. 19, Sec. 25)

Sec. 25. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the Department of Children and Family Services for payments for care of children served by the Department of Children and Family Services:

GRANTS-IN-AID
REGIONAL OFFICES

PAYABLE FROM DCFS CHILDREN'S SERVICES FUND

For Foster Homes and Specialized Foster Care and Prevention	<u>127,195,300</u>	123,678,500
For Cash Assistance and Housing Locator Services to Families in the Class Defined in the Norman Consent Order		2,071,300
For Counseling and Auxiliary Services.....		12,047,200
For Institution and Group Home Care and Prevention		86,595,800
For Assisting in the development of Children's Advocacy Centers		1,398,200
For Children's Personal and Physical Maintenance		2,856,100
For Services Associated with the Foster Care Initiative		1,477,100
For Purchase of Adoption and Guardianship Services	<u>86,232,700</u>	84,563,400
For Family Preservation Services.....		18,047,400
For Purchase of Children's Services		1,314,600

[March 24, 2010]

For Family Centered Services Initiative.....16,489,700
 Total \$350,539,300
 (P.A. 96-0046, Art. 19, Sec. 30)
 Sec. 30. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the Department of Children and Family Services for:

GRANTS-IN-AID

BUDGET AND FINANCE

PAYABLE FROM THE CHILD ABUSE PREVENTION FUND

For Child Abuse Prevention600,000
 Total \$600,000

PAYABLE FROM THE DCFS CHILDREN'S SERVICES FUND

For Tort Claims.....5,786,300
 Total \$5,786,300

CLINICAL SERVICES

PAYABLE FROM THE DCFS CHILDREN'S SERVICES FUND

For Foster Care and Adoption Care Training.....14,608,500
 Total \$14,608,500

Section 15. "AN ACT concerning appropriations", Public Act 96-0035, approved July 13, 2009, as amended, is amended by changing Section 175 of Article 35 as follows:

(P.A. 96-0035, Art. 35, Sec. 175)

Sec. 175. The sum of \$45,000,000, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Department of Natural Resources for the non-federal cost share of a Conservation Reserve Enhancement Program to establish long-term contracts and permanent conservation easements in Illinois; to fund cost-share assistance to landowners to encourage approved conservation practices in environmentally sensitive and highly erodible areas of the Illinois River Basin; and to fund the monitoring of long-term improvements of these conservation practices as required in the Memorandum of Agreement between the State of Illinois and the United States Department of Agriculture.

Section 20. "AN ACT concerning appropriations", Public Act 96-0042, approved July 15, 2009, is amended by changing Sections 5 and 15 of Article 33 as follows:

(P.A. 96-0042, Art. 33, Sec. 5)

Sec. 5. The following named amounts, or so much thereof as may be necessary, respectively, for the objects and purposes hereinafter named, are appropriated from the General Revenue Fund to the Department of Corrections to meet its ordinary and contingent expenses for the fiscal year ending June 30, 2010:

OPERATIONS

For Personal Services
 for Bargaining Unit Employees.....722,087,100 ~~707,242,600~~
 For State Contributions to Social Security
 for Bargaining Unit Employees.....54,115,200 ~~54,104,100~~
 (P.A. 96-0042, Art. 33, Sec. 15)

Sec. 15. The amount of ~~\$351,904,400~~ \$342,825,700, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Corrections to meet its operational expenses for the fiscal year ending June 30, 2010.

Section 25. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by changing Sections 10 and 15 of Article 24 as follows:

(P.A. 96-0046, Art. 24, Sec. 10)

Sec. 10. The following named amounts, or so much thereof as may be necessary, respectively, for the purposes hereinafter named, are appropriated to meet the ordinary and contingent expenses of the Department of Employment Security:

FINANCE AND ADMINISTRATION BUREAU

Payable from Title III Social Security and Employment Service Fund:

For Personal Services20,432,800
 For State Contributions to State
 Employees' Retirement System.....5,798,200
 For State Contributions to
 Social Security.....1,563,100
 For Group Insurance.....4,849,500

For Contractual Services.....	<u>58,509,300</u>	<u>48,909,300</u>
For Travel.....		153,300
For Commodities		1,206,300
For Printing.....	<u>2,539,100</u>	<u>1,939,100</u>
For Equipment		4,022,400
For Telecommunications Services.....		2,645,700
For Operation of Auto Equipment.....		106,300
Payable from Title III Social Security and Employment Service Fund:		
For expenses related to America's Labor Market Information System		<u>1,500,000</u>
Total	<u>\$101,762,900</u>	<u>\$93,126,000</u>

(P.A. 96-0046, Art. 24, Sec. 15)

Sec. 15. The following named sums, or so much thereof as may be necessary, are appropriated to the Department of Employment Security:

WORKFORCE DEVELOPMENT

Payable from Title III Social Security and Employment Service Fund:		
For Personal Services	<u>89,091,600</u>	<u>77,891,600</u>
For State Contributions to State Employees' Retirement System	<u>25,281,500</u>	<u>22,103,300</u>
For State Contributions to Social Security	<u>6,858,700</u>	<u>5,958,700</u>
For Group Insurance.....		21,862,500
For Contractual Services.....		3,088,900
For Travel.....		1,195,600
For Telecommunications Services.....		6,247,800
For Permanent Improvements		0
For Refunds.....		300,000
For expenses related to the Development of Training Programs		100,000
For expenses related to Employment Security Automation	<u>10,000,000</u>	<u>5,000,000</u>
For expenses related to a Benefit Information System Redefinition		<u>15,000,000</u>
Total	<u>\$179,026,600</u>	<u>\$158,748,400</u>

Payable from the Unemployment Compensation
Special Administration Fund:

For expenses related to Legal Assistance as required by law.....		2,000,000
For deposit into the Title III Social Security and Employment Service Fund		12,000,000
For Interest on Refunds of Erroneously Paid Contributions, Penalties and Interest.....		<u>100,000</u>
Total		\$14,100,000

Section 30. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, as amended by Public Act 96-0819, is amended by changing Section 160 of Article 27 as follows:

(P.A. 96-0046, Art. 27, Sec. 160)

Sec. 160. The following named amount, or so much thereof as may be necessary, is appropriated to the Department of Human Services for the following purpose:

DISTRIBUTIVE ITEM

GRANT-IN-AID

Payable from the Employment and Training Fund:

For Temporary Assistance to Needy
Families under Article IV and other
social services including Emergency

Assistance for families with Dependent Children, in accordance with applicable laws and regulations for the State portion of federal funds made available by the American Recovery and Reinvestment Act of 2009.

..... \$293,000,000 ~~\$30,000,000~~

Section 35. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by changing Section 15 of Article 31 as follows:

(P.A. 96-0046, Art. 31, Sec. 15)

Sec. 15. The sum of \$1,247,400 ~~\$528,800~~, or so much thereof as may be necessary, is appropriated from the Federal Support Agreement Revolving Fund to the Department of Military Affairs Facilities Division for expenses ~~related to the Bartonville and Kankakee armories for~~ operations and maintenance according to ~~the~~ Joint-Use Agreements, including costs in prior years.

Section 40. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by changing Section 55 of Article 34 as follows:

(P.A. 96-0046, Art. 34, Sec. 55)

Sec. 55. The following named amounts, or so much thereof as may be necessary, respectively, for the objects and purposes hereinafter named, are appropriated to the Department of Revenue for the ordinary and contingent expenses for Lottery, including operating expenses related to Multi-State Lottery games pursuant to the Illinois Lottery Law:

PAYABLE FROM STATE LOTTERY FUND

For Personal Services	9,624,500	
For State Contributions for the State Employees' Retirement System	2,731,100	
For State Contributions to Social Security	752,200	
For Group Insurance	2,865,200	
For Contractual Services.....	29,613,700	
For Travel.....	110,400	
For Commodities	33,600	
For Printing	29,800	
For Equipment	85,000	
For Electronic Data Processing	3,339,000	
For Telecommunications Services.....	8,563,700	
For Operation of Auto Equipment.....	475,000	
For Refunds	48,000	
For Expenses of Developing and Promoting Lottery Games	7,533,200	
For Expenses of the Lottery Board.....	8,300	
For payment of prizes to holders of winning lottery tickets or shares, including prizes related to Multi-State Lottery games, and payment of promotional or incentive prizes associated with the sale of lottery tickets, pursuant to the provisions of the "Illinois Lottery Law"	<u>355,050,000</u>	315,050,000
Total	<u>\$420,862,700</u>	\$380,862,700

Section 45. "AN ACT concerning appropriations", Public Act 96-0035, approved July 15, 2009, is amended by changing Section 25 and by adding new Sections 16, 37, 77 and 84.6 to Article 50 as follows:

(P.A. 96-0035, Art. 50, Sec. 25)

Sec. 25. The sum of \$1,410,000,000 ~~\$310,000,000~~, or so much thereof as may be necessary, is appropriated from the Transportation Bond Series A Fund to the Department of Transportation for preliminary engineering and construction engineering and contract costs of construction, including reconstruction, extension and improvement of state highways, arterial highways, roads, access areas,

roadside shelters, rest areas, fringe parking facilities and sanitary facilities, and such other purposes as provided by the "Illinois Highway Code"; for purposes allowed or required by Title 23 of the U.S. Code; for bikeways as provided by Public Act 78-850; for land acquisition and signboard removal and control, junkyard removal and control and preservation of natural beauty; and for capital improvements which directly facilitate an effective vehicle weight enforcement program, such as scales (fixed and portable), scale pits and scale installations and scale houses, in accordance with applicable laws and regulations for the state portion of the Road Improvement Program as approximated below:

District 1, Schaumburg	654,518,000	112,518,000
District 2, Dixon	120,962,000	23,962,000
District 3, Ottawa	55,550,000	25,550,000
District 4, Peoria	93,045,000	23,045,000
District 5, Paris	82,282,000	14,282,000
District 6, Springfield	168,230,000	19,230,000
District 7, Effingham	100,302,000	22,302,000
District 8, Collinsville	31,675,000	26,675,000
District 9, Carbondale	78,300,000	17,300,000
Statewide (including refunds)		25,136,000
Engineering		0
Total	\$1,410,000,000	310,000,000

(P.A. 96-0035, Art. 50, Sec. 16, new)

Sec. 16. The sum of \$8,754,000 or so much thereof as may be necessary, is appropriated from the Road Fund to the Department of Transportation, for Transportation, Community and System Preservation (TCSP), Discretionary Interstate Maintenance, and Surface Transportation Priorities earmarks pertaining to state and local governments as designated in the Consolidated Appropriations Act, 2010, Public Law 111-117; provided such amounts do not exceed funds made available by the federal government through Congressional designations, annual allocations, obligation limitations, or any other federal limitations, as approximated below:

Transportation, Community and System Preservation
(TCSP)

City of Urbana, Goodwin Street Expansion, IL	750,000
<u>Harrisburg Missouri Street, Hospital Access Project, IL</u>	400,000
<u>Montrose Avenue Repaving – Harlem to Canfield, IL 350,000</u>	
<u>Rakow Road widening in McHenry County, IL</u>	750,000
Total	2,250,000

Transportation, Community and System Preservation (TCSP)
FFY 2008 Project Corrections

(originally funded in the Consolidated Appropriation
Act, 2008, Division K, Public Law 110-161)

<u>Intersection Improvements on Crawford Avenue and 203rd Street in the Village of Olympia Fields, IL</u>	392,000
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Transportation, Community and System Preservation (TCSP)
FFY 2009 Project Corrections

(originally funded in the Omnibus Appropriations
Act, 2009, Public Law 111-8)

<u>East Bank River Front and Bikeway Improvements, IL</u>	475,000
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Discretionary Interstate Maintenance

<u>79th Street/Stony Island/South Chicago Reconstruction, IL</u>	900,000
<u>Construction of a new interchange on I-80 at Brisbin Road, Morris, IL</u>	900,000
<u>I-74 Bridge Corridor Project, Moline, IL</u>	1,200,000
Total	3,000,000

Surface Transportation Priorities

<u>East Avenue Resurfacing, IL</u>	600,000
<u>Edwards County Bone Gap Road, IL</u>	400,000

IL Route 120 Corridor, Lake County, IL.....	600,000
Jerome and Mousette Lanes, Cahokia, IL.....	300,000
Knoxville Road Reconstruction, Mercer County.....	487,000
Route 30 Intersection Improvements and Add-Lanes.....	250,000
<u>Total</u>	<u>2,637,000</u>

(P.A. 96-0035, Art. 50, Sec. 37, new)

Sec. 37. The sum of \$895,900, or so much thereof as may be necessary, is appropriated from the Road Fund to the Department of Transportation, for the local match of all other non-federally reimbursed expenses associated with the Transportation, Community and System Preservation (TCSP) and Discretionary Interstate Maintenance earmarks specifically identified in Section 16 of this Article of this Act, provided that such amounts do not exceed funds made available and paid into the Road Fund by local governments.

(P.A. 96-0035, Art. 50, Sec. 77, new)

Sec. 77. The sum of \$200,000,000 or so much thereof as may be necessary, is appropriated from the Federal High Speed Rail Trust Fund to the Department of Transportation for grants, construction, and all other costs relating to high speed rail projects, provided such amounts not exceed funds made available by the federal government for this purpose.

(P.A. 96-0035, Art. 50, Sec. 84.6, new)

Sec. 84.6. The sum of \$800,000,000 or so much thereof as may be necessary, is appropriated from the Federal High Speed Rail Trust Fund to the Department of Transportation for grants, construction, and all other costs relating to high speed rail projects in compliance with the American Recovery and Reinvestment Act of 2009, provided such amounts not exceed funds made available by the federal government for this purpose.

Section 50. "AN ACT concerning appropriations", Public Act 96-0042, approved July 15, 2009, is amended by changing Section 15 of Article 46 as follows:

(P.A. 96-0042, Art. 46, Sec. 15)

Sec. 15. The amount of ~~\$1,334,200~~ ~~\$334,200~~, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Executive Ethics Commission to meet its operational expenses for the fiscal year ending June 30, 2010.

Section 55. "AN ACT concerning appropriations", Public Act 96-0035, approved July 13, 2009, is amended by changing Section 25 of Article 60 as follows:

(P.A. 96-0035, Art. 60, Sec. 25)

Sec 25. The following named amounts, or so much thereof as may be necessary, are appropriated from the Capital Development Fund to the Capital Development Board for the Department of Central Management Services for the projects hereinafter enumerated:

JAMES R. THOMPSON CENTER- CHICAGO

For planning and beginning electrical system and life safety system upgrades.....	1,000,000
For upgrading the HVAC system.....	4,150,000
ELGIN REGIONAL OFFICE BUILDING	
For upgrading the HVAC system.....	2,461,000
COLLINSVILLE REGIONAL OFFICE BUILDING	
For replacing the roof.....	1,980,000
CHICAGO MEDICAL CENTER – OFFICE AND LABORATORY	
For installing an emergency generator and upgrading the electrical system.....	2,000,000
STATEWIDE (JRTC, EPA, CHAMPAIGN ROB)	
For the renovation of state-owned property.....	2,000,000
<u>Total</u>	<u>\$13,591,000</u>

Section 60. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by changing Section 40 of Article 42 as follows:

(P.A. 96-0046, Art. 42, Sec. 40)

Sec. 40. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated from the Transportation Regulatory Fund for ordinary and contingent expenses to the Illinois Commerce Commission:

TRANSPORTATION

For Personal Services.....	<u>5,518,700</u>	5,404,700
For State Contributions to State Employees' Retirement System.....	<u>1,566,000</u>	1,533,700

For State Contributions		
to Social Security.....	408,100	399,400
For Group Insurance.....	1,085,600	1,065,300
For Contractual Services.....	611,300	534,800
For Travel.....	105,000	97,000
For Commodities.....	41,300	39,800
For Printing.....	20,300	14,450
For Equipment.....	180,000	129,000
For Electronic Data Processing.....	273,700	215,000
For Telecommunications.....	181,800	98,200
For Operation of Auto Equipment.....	210,000	190,000
For Refunds.....		24,700
Total	\$10,226,500	\$9,746,050

Section 65. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by adding Section 610 to Article 8 as follows:

(P.A. 96-0046, Art. 8, Sec. 610, new)

Sec. 610. The following named amounts are appropriated from the General Revenue Fund to the Illinois Court of Claims to pay pending lapsed appropriations claims for utility charges provided in Fiscal year 2008 for which insufficient funds lapsed in the appropriations accounts out of which payment for the utility charges would have been made. The specific claims to be paid by this appropriation are as follows:

<u>No. 09-CC-1476, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		\$254,558
<u>No. 09-CC-1477, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		963,244
<u>No. 09-CC-1489, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		1,234,467
<u>No. 09-CC-1494, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		590,572
<u>No. 09-CC-1502, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		439,078
<u>No. 09-CC-1503, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		633,222
<u>No. 09-CC-1504, University of Illinois at Chicago, Energy Resource Center, Debt, against the Department of Corrections.....</u>		286,246

Section 70. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by changing Section 7 and adding new Section 45 to Article 60 as follows:

(P.A. 96-0046, Art. 60, Sec. 7)

Sec. 7. The following amounts, or so much thereof as may be necessary, which shall be used by the Illinois State Board of Education exclusively for the foregoing purposes and not, under any circumstances, for personal services expenditures or other operational or administrative costs, are appropriated to the Illinois State Board of Education for the fiscal year beginning July 1, 2009:

- From the School District Emergency Financial Assistance Fund:
- For Emergency Financial Assistance, 1B-8

of the School Code.....	1,000,000	
From the Drivers Education Fund:		
For Drivers Education.....	17,929,600	
From the Charter Schools Revolving Loan Fund:		
For Charter Schools Loans	20,000	
From the School Technology Revolving Loan Fund:		
For School Technology Loans, 2-3.117a of the School Code.....	5,000,000	
From the Temporary Relocation Expenses Revolving Grant Fund:		
For Temporary Relocation Expenses, 2-3.77 of the School Code.....	1,400,000	
From the State Board of Education Federal Agency Services Fund:		
For Learn and Serve America.....	2,500,000	
From the State Board of Education Federal Department of Agriculture Fund:		
For Child Nutrition	525,000,000	
From the State Board of Education Federal Department of Education Fund:		
For Title I.....	675,000,000	
For Title I, Reading First	60,000,000	
For Title II, Teacher/Principal Training.....	135,000,000	
For Title III, English Language Acquisition	40,000,000	
For Title IV, 21st Century/Community Service Programs	55,000,000	
For Title IV, Safe and Drug Free Schools.....	15,000,000	
For Title V, Innovation Programs	8,000,000	
For Title VI, Rural and Low Income Students.....	1,500,000	
For Title X, Homeless Education	3,250,000	
For Enhancing Education through Technology.....	20,000,000	
For Individuals with Disabilities Act, Deaf/Blind.....	450,000	
For Individuals with Disabilities Act, IDEA	570,000,000	
For Individuals with Disabilities Act, Improvement Program	2,500,000	
For Individuals with Disabilities Act, Model Outreach Program Grants.....	400,000	
For Individuals with Disabilities Act, Pre-School.....	25,000,000	
For Grants for Vocational Education – Basic	55,000,000	
For Grants for Vocational Education – Technical Preparation.....	5,000,000	
For Charter Schools	6,000,000	
For Transition to Teaching	1,000,000	
For Advanced Placement Fee	2,000,000	
For Math/Science Partnerships.....	9,000,000	
For Integration of Mental Health.....	400,000	
For ONPAR	2,000,000	
For Special Federal Congressional Projects.....	5,000,000	
For Longitudinal Data Systems Project.....	2,700,000	
Total	<u>\$1,696,500,000</u>	<u>\$1,699,200,000</u>

(P.A. 96-0046, Art. 60, Sec. 45, new)

Sec. 45. The amount of \$2,700,000, or so much thereof as may be necessary, is appropriated from the State Board of Education Federal Department of Education Fund to the Illinois

[March 24, 2010]

State Board of Education for the Longitudinal Data System Project

Section 75. "AN ACT concerning appropriations", Public Act 96-0113, approved July 31, 2009, is amended by changing Section 20 of Article 1 as follows:
(P.A. 96-0113, Art. 1, Sec. 20)

Sec. 20. The following amounts, or so much thereof as may be necessary, which shall be used by the Illinois State Board of Education exclusively for the foregoing purposes and not, under any circumstances, for personal services expenditures or other operational or administrative costs, are appropriated to the Illinois State Board of Education for the fiscal year beginning July 1, 2009:

From the General Revenue Fund:

For Disabled Student Personnel		
Reimbursement.....	<u>368,151,700</u>	459,600,000
For Disabled Student Transportation		
Reimbursement.....	<u>357,096,600</u>	429,700,000
For Disabled Student Tuition,		
Private Tuition.....	<u>157,652,800</u>	181,100,000
For Funding for Children Requiring		
Special Education, 14-7.02		
of the School Code.....	<u>275,076,800</u>	334,236,800
For Reimbursement for the Free Breakfast/ Lunch Program.....		26,300,000
For Summer School Payments, 18-4.3		
of the School Code.....		11,700,000
For Transportation-Regular/Vocational		
Common School Transportation		
Reimbursement, 29-5		
of the School Code.....	<u>270,009,700</u>	351,100,000
For Regular Education Reimbursement		
Per 18-3 of the School Code.....		13,000,000
For Special Education Reimbursement		
Per 14-7.03 of the School Code.....		<u>120,200,000</u>
Total	<u>\$1,599,187,600</u>	\$1,926,936,800

From the Education Assistance Fund:

<u>For Disabled Student Personnel</u>		
Reimbursement.....		91,448,300
<u>For Disabled Student Transportation</u>		
Reimbursement.....		72,603,400
<u>For Disabled Student Tuition,</u>		
Private Tuition.....		23,447,200
<u>For Funding for Children Requiring</u>		
<u>Special Education, 14-7.02 of</u>		
<u>the School Code.....</u>		<u>59,160,000</u>
<u>For Transportation-Regular/Vocational</u>		
<u>Common School Transportation</u>		
<u>Reimbursement, 29-5 of the</u>		
<u>School Code.....</u>		<u>81,090,300</u>
Total		<u>\$327,749,200</u>

Section 80. "AN ACT concerning appropriations", Public Act 96-0114, approved July 31, 2009, is amended by changing Section 25 of Article 4 as follows:
(P.A. 96-0114, Art. 4, Sec. 25)

Sec. 25. In addition to any other amounts appropriated for such purposes, the following named amounts, or so much thereof as may be necessary, are appropriated from the General Revenue Fund to the Illinois Community College Board for the fiscal year beginning July 1, 2009, pursuant to Title XIV (Other Government Services) of the American Recovery and Reinvestment Act of 2009:

For Base Operating Grants	<u>1,510,500</u>	1,446,160
For Equalization Grants	<u>0</u>	64,340
Total	<u>\$1,510,500</u>	\$10,581,000

Section 85. "AN ACT concerning appropriations", Public Act 96-0046, approved July 15, 2009, is amended by changing Section 15 of Article 28 as follows:
(P.A. 96-0046, Art. 28, Sec. 15)

Sec. 15. The amount of ~~\$4,550,000~~ ~~\$3,300,000~~, or so much thereof as may be necessary, is appropriated to the Illinois Power Agency from the Illinois Power Agency Operations Fund for its ordinary and contingent expenses.

Section 90. The amount of \$186,157.76, or so much of that amount as may be necessary, is appropriated from the IMSA Income Fund to the Illinois Mathematics and Science Academy for the support of the Illinois Virtual School.

Section 95. In addition to other amounts appropriated or otherwise allocated for this purpose, the amount of \$1,500,000, or so much thereof as may be necessary, is appropriated to the Department of Corrections from the General Revenue Fund for expenses associated with the operation of the Franklin County Juvenile Detention Center, including a juvenile methamphetamine pilot program.

Section 100. The following named amounts are appropriated from the General Revenue Fund to the Court of Claims to pay claims in conformity with awards and recommendations made by the Court of Claims as follows:

- No. 10-CC-1973, Nathson Fields, Tort, against
the Department of Corrections 199,150.00
- Section 999. This Act takes effect immediately.”.

Under the rules, the foregoing **Senate Bill No. 1182**, with House Amendment No. 2, 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 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. 5783

A bill for AN ACT concerning professional regulation.

Passed the House, March 24, 2010.

MARK MAHONEY, Clerk of the House

The foregoing **House Bill No. 5783** was 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 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. 80

WHEREAS, Bobby E. Thompson has been a political figure in the Lake County area for 18 years and was the first African American mayor in the county, having served as mayor of North Chicago; and

WHEREAS, The portion of Illinois State Route 137 in Waukegan lying between Greenwood Avenue and Sheridan Road/McKinley Avenue is now known as the Amstutz Expressway; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that the portion of the Amstutz Expressway in the city limits of North Chicago be renamed the Bobby E. Thompson Expressway; and be it further

RESOLVED, That the Illinois Department of Transportation is requested to erect at suitable locations, consistent with State regulations, plaques or signs giving notice of the name; and be it further

[March 24, 2010]

RESOLVED, That suitable copies of this resolution be presented to the Illinois Secretary of Transportation and to former North Chicago Mayor Bobby E. Thompson.

Adopted by the House, March 17, 2010.

MARK MAHONEY, Clerk of the House

The foregoing message from the House of Representatives reporting House Joint Resolution No. 80 was referred to the Committee on Assignments.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendment 2 to Senate Bill 1182

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS ON SECRETARY'S DESK

On motion of Senator Cullerton, **Senate Bill No. 1946**, with House Amendments numbered 1 and 4 on the Secretary's Desk, was taken up for immediate consideration.

Senator Cullerton moved that the Senate concur with the House in the adoption of their amendments to said bill.

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

YEAS 48; NAYS 6; Present 3.

The following voted in the affirmative:

Althoff	Garrett	Lightford	Schoenberg
Bivins	Haine	Link	Silverstein
Bond	Harmon	Maloney	Steans
Brady	Hendon	Martinez	Sullivan
Burzynski	Holmes	McCarter	Syverson
Clayborne	Hultgren	Meeks	Trotter
Collins	Hunter	Muñoz	Viverito
Cronin	Hutchinson	Murphy	Wilhelmi
Crotty	Jones, E.	Noland	Mr. President
Dahl	Jones, J.	Pankau	
DeLeo	Koehler	Radogno	
Delgado	Kotowski	Risinger	
Duffy	Lauzen	Sandoval	

The following voted in the negative:

Bomke	Jacobs	Millner
Ferichs	Luechtefeld	Righter

The following voted present:

Demuzio
Dillard
Forby

The motion prevailed.

[March 24, 2010]

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 4 to **Senate Bill No. 1946**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 8:18 o'clock p.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 8:23 o'clock p.m., the Senate resumed consideration of business.
Senator DeLeo, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 24, 2010 meeting, reported that the following Legislative Measure has been approved for consideration:

Motion to Concur with House Amendment 2 to Senate Bill 1182.

The foregoing concurrence was placed on the Secretary's Desk.

At the hour of 8:24 o'clock p.m., the Chair announced that the Senate stand adjourned until Thursday, March 25, 2010, at 10:00 o'clock a.m.