# The Flinn Report Report Regulation

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Joint Committee on Administrative Rules
Illinois General Assembly

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VOL. 46

June 24, 2022

Issue 26

Illinois Regulation is a summary of the weekly regulatory decisions of State agencies published in the Illinois Register and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules. Illinois Regulation, also titled The Flinn Report in memory of founding JCAR member Rep. Monroe Flinn, is designed to inform and involve the public in changes taking place in agency administration.

# **Proposed Rulemakings**

## CURRENCY EXCHANGES

The DEPARTMENT OF FINANCIAL AND PROFES-SIONAL REGULATION proposed an amendment to the Part titled Currency Exchange Act (38 IAC 120; 46 III Reg 10744) applying the \$400 fee that DFPR charges for qualification investigations of new currency exchange owners to qualification investigations of corporate officers and directors. Officers and directors of currency exchange licensees are affected.

## CREDIT UNIONS

DFPR also proposed amendments to the Part titled Illinois Credit Union Act (38 IAC 190; 46 Ill Reg 10748) aligning the procedures and standards for disclosure of confidential supervisory information with those of other DFPR Division of Banking

## **COVID-19 ACTIONS**

Executive Orders of the Governor concerning the COVID-19 public health emergency can be accessed at https://www2.illinois.gov/government/executive-orders. Emergency rules adopted by State agencies will be summarized in The Flinn Report as they are published in the Illinois Register.

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rules. The rulemaking also applies to credit union service organizations the consumer loan rate cap for federal credit unions (currently 28%) instead of the 36% rate cap in the Predatory Loan Prevention Act. Credit unions are affected by this rulemaking.

# **Adopted Rules**

## SALES TAX

**DEPARTMENT** OF The REVENUE adopted an amendment to Retailers' Occupation Tax (86 IAC 130; 46 III Reg 2845) effective 6/7/22 that allows DOR to post a notice of expiration of a certificate of registration on the premises of a business whose sales tax registration has expired (existing rule only provides for notices of revocation of a certificate). The rulemaking includes an example of a notice of expiration. Businesses that hold DOR certificates of registration for sales tax purposes may be affected.

#### INVEST IN KIDS

DOR also adopted amendments to the Part titled Invest in Kids Act (86 IAC 1000; 46 III Reg 1594) effective 6/7/22 implementing

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**ADOPTED RULES:** Rules adopted by agencies this week. **EMERGENCY RULES:** Adopted for a temporary period not to exceed 150 days. **PROPOSED RULES:** Rules proposed by agencies this week, commencing a 45-day First Notice period during which public comments must be accepted. **PEREMPTORY RULES:** Rules adopted without prior public notice or JCAR review as authorized by 5 ILCS 100/5-50.

■ Designates rules of special interest to small businesses, small municipalities, and not-for-profit corporations. Agencies are required to consider comments from these groups and minimize the regulatory burden on them.

QUESTIONS/COMMENTS: Submit mail, email or phone calls to the agency personnel listed below each summary.

**RULE TEXT:** Available on the Secretary of State (www.cyberdriveillinois.com) and General Assembly (www.ilga.gov) websites under Illinois Register. Second Notice text (original version with changes made by the agency during First Notice included) is available on the JCAR website.

## **Adopted Rules**

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Public Act 102-16. This rulemaking adds technical academies that operate or will operate jointly administered career and technical education (CTE) programs to the types of schools that may receive scholarships from scholarship granting organizations on behalf of qualified students attending these academies. The rule also strikes a reference to Illinois Appellate Courts in Appendix A. Persons making scholarship contributions under the Act to technical academies are affected by this rulemaking.

Questions/requests for copies of the 2 DOR rulemakings: Part 130, Thomas Grudichak (847/977-5841); Part 1000, Richard S. Wolters (217/782-2844), DOR, 101 W. Jefferson St., Springfield IL 62794.

## **INSURANCE**

The **DEPARTMENT** OF **INSURANCE** adopted amendments to Registration of Insurers (50 IAC 652; 46 III Reg 2398) effective 7/1/22 implementing a change recently adopted by the National Association of Insurance Commissioners. The rulemaking

establishes procedures for group capital calculations, criteria for exemptions and alternate procedures, and criteria for determining whether a non-U.S. jurisdiction recognizes and accepts a group capital calculation. It also requires the annual Form B filing to be completed with both electronic and paper copies.

DOI also adopted amendments to the Part titled Credit for Reinsurance Ceded (50 IAC 1104; 45 III Reg 15423) effective 6/10/22 implementing a standard adopted by the National Association Insurance of Commissioners (NAIC) in accordance with recent international agreements. The rulemaking outlines the conditions under which credit will be given for reinsurance (coverage obtained by an insurance company from an assuming insurer to protect that company against excessive losses) ceded by domestic insurers to an assuming insurer located in a reciprocal jurisdiction, defined as: another U.S. state or territory that meets NAIC accreditation standards; a country with which the U.S. has a reciprocal agreement for this purpose; a member of the European Union; or another nonU.S. jurisdiction that meets specified criteria. The Director of DOI must maintain, publish and periodically update a list of reciprocal jurisdictions and assuming insurers that meet the requirements set in this rulemaking.

Questions/requests for copies of the 2 DOI rulemakings: Susan Berry, DOI, 320 W. Washington St., Springfield IL 62767, 217/782-1759.

## **GAS PIPELINES**

The ILLINOIS COMMERCE COMMISSION adopted amendments to Minimum Safety Standards for Transportation of Gas and for Gas Pipeline Facilities (83 IAC 590; 45 III Reg 8602) effective 6/10/22 to align ICC's standards with minimum federal safety standards. The proposed rulemaking changes an incorporation date for federal regulations from 9/1/19 to 4/29/21 and removes other provisions and citations that are obsolete.

Questions/requests for copies: Brian W. Allen, ICC, 527 E. Capitol Ave., Springfield IL 62701, 217/558-2387.

## **Proposed Rulemakings**

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### **INSURANCE**

DFPR proposed amendments to Licensing and Regulation of Pawnbrokers (38 IAC 360; 46 III Reg 10765), Residential Mortgage License Act of 1987 (38 IAC 1050; 46 III Reg 10795) and Savings Bank Act (38 IAC 1075; 46 III Reg 10823) and proposed repeal of the Part titled Hearings Before the Office of Banks and Real Estate Bureau of Banks and Trust Companies (38 IAC 392; 46 III Reg 10782). These rulemakings remove hearing rules that have been replaced by DFPR's consolidated hearing rules for financial institutions in 38 IAC 100.

Questions/requests for copies/comments on the 6 DFPR rulemakings through 8/8/22: Craig Cellini, DFPR, 320 W. Washington, 2nd Floor, Springfield IL 62786, 217/785-0810, Fax: 217/557-4451.

## **Emergency Rule**

## **HOSPITALS**

The DEPARTMENT OF PUBLIC HEALTH adopted an emergency amendment to Hospital Licensing Requirements (77 IAC 250; 46 III Reg 10950) effective 6/12/22 for a maximum of 150 days, replacing an emergency amendment that 6/11/22. expired These emergency rules re-establish procedures through which licensed hospitals may set up alternate care facilities for overflow patients at remote or temporary locations, or increase bed capacity and/or reallocate bed designations between clinical services (e.g., to/ from an Intensive Care Unit). Hospitals that establish alternate care facilities must notify DPH at least 24 hours in advance of

opening the alternate facility, or "as soon as reasonably practical". DPH must also be notified within 10 days if the hospital increases or re-allocates beds, or takes previously increased bed capacity out of circulation, at the alternate care facility. The emergency rule also suspends various requirements for existing hospitals (e.g., minimum size of patient rooms) when necessary to respond to an influx of COVID-19 patients and establishes the minimum standards for temporary alternate care facilities.

Questions/requests for copies: Tracey Trigillo, DPH, 524 S. Second St., 6th Floor, Springfield, IL 62701, 217/782-1159, dph.rules@illinois.gov

## **Peremptory Rule**

#### STATE EMPLOYEES

The DEPARTMENT OF CENTRAL MANAGEMENT SERVICES adopted a peremptory amendment to Pay Plan (80 IAC 310; 46 III Reg 10967) effective 6/7/22, implementing a memorandum of understanding with AFSCME that assigns new pay grades to the Chaplain I and Chaplain II titles at the

Departments of Corrections, Juvenile Justice, Human Services and Veterans Affairs. This peremptory rule affects 32 State employees.

Questions/requests for copies: Jason R. Doggett, CMS, 504 Stratton Building, Springfield IL 62706, 217/782-4267, Fax: 217/ 524-4570, CMS.PayPlan @Illinois.gov

## **Second Notices**

The following rulemakings were moved to Second Notice this week by the agencies listed below, commencing the JCAR review period. These rulemakings will appear in next week's *Illinois Register* and be considered at the July 12, 2022, JCAR meeting in Chicago. Other items not published in the *Register* or The Flinn Report may also be considered. Further comments concerning these rulemakings should be addressed to JCAR using the contact information on page 1.

## **DEPT OF EMPLOYMENT SECURITY**

Recovery of Benefits (56 IAC 2835; 46 III Reg 5830) proposed 4/15/22

## **DEPT OF PUBLIC HEALTH**

Head and Spinal Cord Injury Code (77 IAC 550; 46 III Reg 5429) proposed 4/1/22

Violent Injury Reporting Code (77 IAC 560; 46 III Reg 5445) proposed 4/1/22

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