**Section 1480.440 Informal Settlement in Lieu of Formal Proceeding**

Prior to the institution of formal enforcement proceedings by the Commission staff before the Commission, a respondent shall be given the opportunity to settle, at an informal staff level, any controversy regarding the respondent's alleged illegal activity under the Act or this Part.

a) The Notice of Alleged Violation and Opportunity to Settle (NAVOS) setting forth the alleged violations of the Act or this Part shall be served on the respondent and shall specify the procedure for the respondent to exercise his or her option to settle. Included will be instructions to telephone or write to the specific Commission staff member assigned to the case to request and schedule a settlement conference if the respondent chooses to exercise the settlement option. The respondent shall have 20 days from the date of service to exercise his or her option to settle.

b) Monetary settlements specified in the NAVOS shall be based upon the minimum $100 and maximum amounts per violation set forth in Section 80 of the Act.

c) An amount less than the minimum established in the NAVOS may be agreed upon between the staff of the Commission and the respondent during informal settlement discussions. The agreed upon amount shall be incorporated in a stipulated settlement agreement presented to the Commission for approval or rejection according to Section 1480.440.

d) Stipulated Settlement Agreements. The Commission staff shall have the power to negotiate and sign proposed settlements of enforcement proceedings by written stipulation. The Commission may accept a reasonable monetary settlement and any other reasonable terms stipulated between the respondent and staff, with or without a finding of violations at hearing. The Commission shall review the proposed settlements within 30 days after a stipulation is signed by the parties. Unless a stipulation is suspended for review by order of the Commission served within 30 calendar days after it was signed by the parties, it shall be deemed accepted by operation of law. A stipulation that has been suspended for review shall likewise be deemed accepted by operation of law unless it is rejected by order of the Commission served within 45 days after it was suspended. A stipulation that is deemed accepted under this subsection shall become effective and shall be enforceable in the same manner as an order of the Commission. Orders suspending proposed settlements shall cite reasons for suspension that are specific to the case. Orders rejecting proposed settlements shall recite the grounds on which the settlements are found to be unreasonable and describe the evidence that supports the findings.

e) Settlement amounts shall be determined upon consideration of the respondent's past compliance history, cooperation with authorities in the resolution of the dispute, willingness to comply with the Act and this Part, the type of violation, the amount of revenue realized from the unlawful activities, and the number of violations.

f) If a settlement agreement is not reached, the matter will be set for hearing pursuant to the Act and the Commission's Rules of Practice (83 Ill. Adm. Code 200) before an Administrative Law Judge.

g) The respondent's right to a hearing and his or her position at hearing will not be prejudiced in any way if settlement is not reached.

(Source: Amended at 38 Ill. Reg. 5821, effective March 14, 2014)